

The NATIONAL UNDERWRITER

Life Insurance Edition

45th year
OF UNINTERRUPTED PROGRESS

Annual Statement December 31, 1950

1950 INCREASES

Insurance owned by Policyholders increased \$11,128,046, to a new high of \$219,902,657.



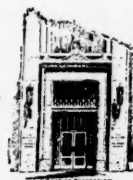
Resources increased \$4,359,941, to a new high of \$55,483,829.



The amount Paid to Policyholders and beneficiaries in 1950, was \$2,767,902 — the total payments since the Company's beginning in 1906 rose to \$42,705,642.



The Reserves to credit of Policyholders increased by \$3,257,602, and are now \$45,238,610.



RESOURCES

Bonds	\$16,348,360.00
U. S. Government	\$ 7,572,327.00
Canadian	420,967.00
Municipal	1,401,778.00
Corporate	6,953,288.00
	<u>\$16,348,360.00</u>

Preferred Stocks	1,626,737.50
Common Stocks	997,881.25
Mortgage Loans	30,526,936.84
Loans to Policyholders	2,520,768.28
Cash on Hand	1,398,156.34
Real Estate:	
Home Office Building	268,250.00
Purchased for Income Purposes	540,625.09
Sold on Land Contract	50,692.13
Premiums in Course of Collection and Miscellaneous Items	958,989.36
Accrued Interest (None past due)	227,393.39
Premium Notes	19,038.59

Total Resources \$55,483,828.77

LIABILITIES

Policy Reserves	\$45,238,609.55
Dividends to the Credit of Policyholders	2,322,339.98
Premiums and Interest Paid in Advance	1,401,414.21
Dividends to Policyholders for 1951	575,000.00
Claims Awaiting Completion	218,733.95
Reserves for Taxes Payable in 1951	163,750.00
Miscellaneous Liabilities	50,057.93
Death Claims Due and Unpaid	None

Total Liabilities \$49,969,905.62

Excess Protection to Policyholders	
Capital Stock	\$1,000,000.00
Surplus	2,000,000.00
General Contingency Reserve	1,194,481.26
Investment Fluctuation Reserve	1,319,441.89

Surplus for Protection of Policyholders 5,513,923.15

Total Liabilities and Surplus \$55,483,828.77

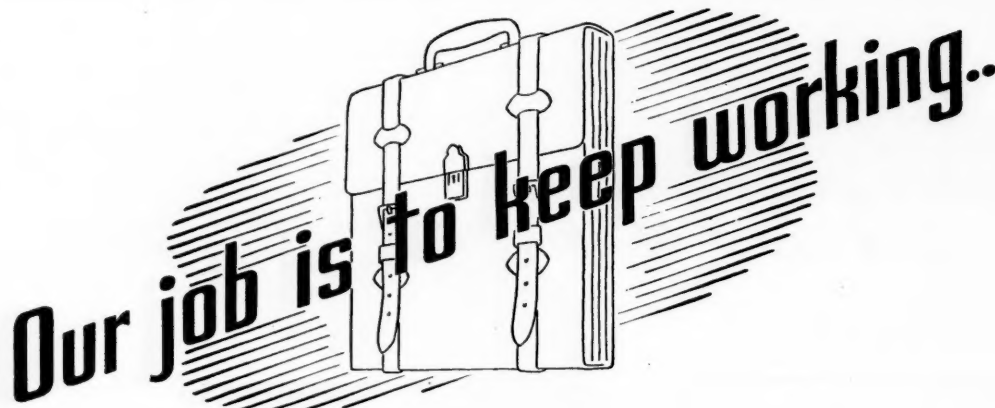
THE OHIO STATE LIFE
Insurance Company

COLUMBUS 15, OHIO

CLARIS ADAMS, Pres. F. L. BARNES, 1st Vice Pres. and Dir. of Agencies

A COMPLETE LINE OF LIFE, ACCIDENT, HEALTH AND HOSPITAL INSURANCE FOR THE ENTIRE FAMILY

FRIDAY, FEBRUARY 23, 1951



... at the insurance business—at those civic responsibilities which always increase in times of emergency.

Funny thing about wars. They start when some guy with a gift for leadership finds a lot of dissatisfied people who are ripe for his promises of prosperity.

Maybe one reason why America has been so free of strife in its 175 year history, compared to the continents of Europe and Asia, is because there have not been many dissatisfied people in this country. Certainly our natural resources have not exceeded those of Europe and Asia. Perhaps it is because we have learned that work, brains, ingenuity, integrity and a willingness to let the other fellow prosper will bring the blessings war can never bring.

One of the powerful institutions our brains and ingenuity have devised to help spread prosperity and maintain peace is insurance. More of it is owned by more Americans than all the rest of the world put together.

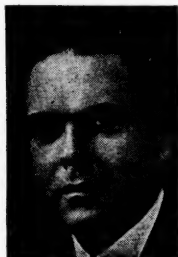
Our job in the insurance business is to see that the public is intelligently insured for the protection of their families, their properties and their businesses.

THE TRAVELERS INSURANCE COMPANIES
HARTFORD CONNECTICUT

Life Insurance Business Must Speak Out on Real Issues

**Unified Public Position
Justified Under Certain
Conditions, Dineen Says**

Robert E. Dineen, vice-president of Northwestern Mutual, addressing the managers' conference of New York State Assn. of Life Underwriters at Saratoga Springs maintained that the life insurance business as a unit has an obligation to speak on all public questions of consequence affecting life insurance. He cautioned against raising an industry voice on every question involving insurance and said that care must be exercised to determine that threatened dangers are real ones involving damage to substantial interests of policyholders. He commented that the business cannot be partisan and cannot espouse the cause of specific parties or candidates, but its participation in public questions must be limited to the presentation of facts, accurately, temperately and fairly. According to Mr. Dineen, overstatement must be avoided and understatement should be the order of the day in order that the public assess the caliber of the public pronouncements of the insurance business as high and worthy of notice.



R. E. Dineen

Mr. Dineen added that "it must be recognized that such a policy may sometimes bring us into conflict with political personalities, groups or parties who are advocating programs which will do substantial damage to the interest of our policyholders. Obviously, we must not seek such conflicts, but if we are to discharge our responsibilities, we cannot run away from them, distasteful though they may be. In this field of action our main problem will be to compose our differences among ourselves. Rugged individualism has its place in the insurance business and should be encouraged. But there are times in the life of every business when individual differences should be laid aside and the business should act as a unit."

The former New York insurance superintendent said that the day might come when the life insurance business will be subject to a torrent of adverse publicity, some of it emanating from the government in power which is directed against the interests of life insurance policyholders. Under such circumstances, it is his belief that the life insurance business should not stand idly by afraid to act lest it be accused of being political in resisting an attack which is essentially political in its nature. As trustee, the life insurance business is required to stand up and fight for policyholders. The business might have tough opposition, because virtually every agency of the central government and some of the state governments maintain information services which send out a vast amount of publicity, he acknowledged.

Mr. Dineen thought it highly possible

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Financial Highlights Bear Out 1950 as Excellent Year

FRANKLIN LIFE

New business in 1950 for Franklin Life amounted to \$231,362,971. There was an increase of \$153,722,900 in insurance in force bringing the total to \$930,032,705. Assets reached \$167,585,676, gaining 15.3%. There was \$8,935,309 paid to policyholders and beneficiaries during the year.

HOME LIFE OF NEW YORK

New ordinary production for Home Life of New York during 1950 broke all previous company records by 15%. The total amounted to \$109,248,747. The first full year of operation in the group insurance field showed purchases of group life amounting to \$4,713,000. Group casualty coverage premiums totaled \$572,813. Life insurance in force totaled \$911,083,865, and of this total \$12,557,231 was group life. The net increase in life insurance in force was 9%. Since 1945 the increase has been 57.9%. Payments to policyholders and beneficiaries during 1950 totaled \$16,402,149. Funds allocated for 1951 dividends totaled \$2,650,000, which is 9% more than for the previous year. The average sized policy in 1950 was \$12,275 as compared with \$12,438 in 1949.

INDIANAPOLIS LIFE

Indianapolis Life in 1950 set a new business record with \$31,555,724 written, a gain of 14.1%. Insurance in force reached \$242,766,459. Payments to policyholders and beneficiaries were \$3,024,388, and assets, which now total \$66,840,633, rose \$5,022,240. An increase in unassigned surplus of \$533,206 made surplus \$4,704,590. Dividends rose slightly to \$603,790.

LINCOLN NATIONAL

New paid business for Lincoln National during the year amounted to more than \$671 million, an increase of more than \$71 million over the 1949 total. Insurance in force increased \$302 million to a total of \$3,840,000,000. Income during 1950 was more than \$101 million. Surplus to policyholders was \$48,101,096 as compared to \$39,659,601 in 1949.

LOYAL PROTECTIVE

Life insurance in force increased 17.1% and premium income increased 8.5% for Loyal Protective Life. Net return on investments in 1950 was 3.22% as compared with 3.09% in 1949. Total income for the year amounted to \$4,685,856, a 9.19% gain. Of this total, A. & H. premiums accounted for \$3,292,107.

NEW ENGLAND MUTUAL

New England Mutual Life issued nearly \$279 million in new insurance, 13% more than in 1949. Insurance in force reached \$2,922,000,000, an increase of 6%. Net gain from insurance operations and investments amounted to \$25 million, a gain of \$2 million more than in 1949. There was \$16 million allocated for 1951 dividends, which was \$1,600,000 more than last year and the largest distribution in history. The company received \$109 million in premiums. Investment earnings amounted to more than \$39 million.

Assets gained \$87,500,000 to bring the total to \$1,170,000. Reserves were increased by nearly \$70 million. There was \$61 million paid to policyholders and beneficiaries exclusive of dividends of more than \$14 million. Net return on investments in 1950 was 3.3%, slightly

higher than 10 years ago and comparing with 3.1%, the low point in 1947.

NATIONAL LIFE & ACCIDENT

National Life & Accident's insurance in force during 1950 passed \$2,569,000,000 and the company characterizes itself as being the first in America to build this much life insurance under its original management. In force gained \$253 million during 1950. About \$1 billion of the outstanding life insurance was ordinary and a little more than \$1,500,000,000 was industrial. Assets increased during 1950 by \$36,700,000 to an aggregate of \$347,866,000. The gain in ordinary for the year was \$97,250,000, resulting in an increase of about 3% in paid-for business over 1949. Increase in the weekly debit during 1950 was \$76 million, a figure almost identical with the 1949 gain. Weekly premium collections were 97.7% for the year as compared with 97.6% for 1949.

OHIO STATE LIFE

Ohio State Life's written business in 1950 was \$1 million more than the volume in 1949. Insurance in force was \$219,902,657 and assets reached \$55,483,828. Gain in insurance in force was \$11,128,046 while assets increased \$4,359,940. There was a gain of \$500,000 in surplus. Surplus to policyholders amounted to \$5,513,923.

RELiance LIFE

Assets of Reliance Life increased \$20,785,312 in 1950 to reach \$300,417,752. Insurance in force increased \$47,053,605 to reach \$977,192,648. Surplus to policyholders is \$9,531,807, besides which there is a reserve for contingencies of \$5,747,408. Principal asset items include \$219,540,661 in bonds of which \$47,605,513 are U. S. governments; \$15,647,260 in stocks, and \$36,245,790 in mortgages.

SECURITY MUTUAL

Agents of Security Mutual of Binghamton wrote during 1950 more than \$35 million of ordinary life. Insurance in force gained \$38 million to total more than \$278 million. Of this increase, \$20 million was from ordinary and the balance from group. Assets increased during the year \$5 million to total more than \$60,900,000. Total surplus funds amounted to \$3,244,307. Net interest return on invested assets was 3.17%. Average sized new policy was \$6,537, a new high for the company. There was \$4,334,000 paid out to beneficiaries and policyholders.

STATE MUTUAL LIFE

New insurance written on individual lives by State Mutual Life amounted to \$113,760,007. Group life was \$72,340,580 and group casualty was interpreted as

(CONTINUED ON PAGE 27)

Ordinary and Total Production Set January Record

All time highs for ordinary and total new business for January were set last month, according to L.I.A.M.A. Ordinary volume \$1,352,000,000 up 19%. Group was \$321 million, up 58% and industrial was \$395 million, down 7%. The total was \$2,068,000,000, up 17%.

Sec. 213 Revision Must Wait Another Year, Legislators Say

**NALU Bill Introduced
to Assure Prompt Action
in 1952**

NEW YORK—Despite the combined efforts of all companies and National Assn. of Life Underwriters for the past two years to develop a revision of section 213, the expense limitation part of the New York insurance law, and months of analysis of the companies' proposal by the New York department, legislative sources indicate that no change in the law can be made at this year's session.

However, Sen. Condon, Yonkers, chairman of the joint legislative committee on insurance rates and regulation, introduced an N.A.L.U.-sponsored bill this week that seems to guarantee a revision in 1952.

May Hold Hearing

The purpose of the bill's introduction was to publicize its contents so that during the coming months the reaction of all interested groups may be considered in developing a bill for the next session. There is hope that the legislative committee will hold a meeting on the proposal this spring to allow sufficient time to write in changes to satisfy criticism and resolve existing differences.

The N.A.L.U. bill is an amendment to the draft bill proposed by the section 213 committee of American Life Convention and Life Insurance Assn. of America. The amendments by N.A.L.U. would bring the A.L.C.-L.I.A. proposal in line with N.A.L.U. suggestions.

Under the bill a company can pay its agents a maximum of 10% a year for the first 15 years on an ordinary life contract. But this can be spread around quite flexibly, subject to a maximum of 55% the first year. There is a provision for a 3% service fee after the 15th year. This would work out to a substantial increase in compensation over the traditional 50% and nine fives scale.

NALU Special Provision

The only change made by N.A.L.U. is to provide that company contributions toward agents' pension, group insurance, and the like may be paid over and above the increased compensation maximums set forth in the company organizations' draft. These could be up to an amount equal to 5% of the agent's compensation. Thus, a company already paying the maximum permitted compensation would not need to reduce this in order to pay security benefits.

These security benefits would be charged as agency expense, which would no longer be tied in with agents' compensation.

Controls under existing law may be visualized as three concentric circles. The innermost one is the agent's compensation, the next is agency expenses, including general agents' or managers' compensation, while the outside circle represents over-all company expenses. The innermost circle is squeezed by the two outer ones, and the second circle is in turn squeezed by the outermost one.

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Business Insurance Leaders Hit High Points at Chicago Association Meet

The second installment of the spring training series of Chicago Assn. of Life Underwriters was a highly successful affair with leaders in the business insurance field speaking on the high points of that coverage. The principal speaker, H. P. Gravengaard, editor Diamond Life Bulletins, was followed by a panel discussion by Roy Marzano, assistant manager of Metropolitan; Edward W. O'Shaughnessy, assistant manager of the Wood agency of Equitable Society, and Harry R. Schultz, Mutual Life, New York City. William D. Davidson, Equitable Society, was moderator. Subsequent meetings in the series will be held Feb. 24 and March 3.

Mr. Gravengaard discussed the legal aspects of the different types of business organizations out of which grow the need for business insurance. In connection with a partnership and a close corporation, he treated the buy-and-sell agreement and financing of the agreement by life insurance. In connection with key man insurance, he pointed to the need for business insurance to protect the human asset, emphasizing profits are made by man and not by machines. The most practical method for indemnifying business against the loss of a key man, Mr. Gravengaard stressed, is through use of life insurance owned by the business.

Considers Underwriting Problems

The special problems in business insurance underwriting also were considered by Mr. Gravengaard. Among these were the evaluation of a business interest, good will, and the problems that are created by an endeavor to by-pass the estate.

The many opportunities that lie in small sole proprietorship, partnership and close corporation cases were pointed out by Mr. Marzano. He emphasized his talk by drawing upon personal experience and showed how a combination of ingenuity and persistency closed one large case.

In this case, Mr. Marzano recalled, two young pharmacists purchased a drug store, paying half of the cost down and drawing plans to liquidate the balance over three years. He knew one of the parties well and suggested business interest liquidation as the best possible way of protecting the close corporation they had formed. One of the parties agreed with Mr. Marzano but the other was unshakably against it.

After having been refused the coverage on several occasions, Mr. Marzano happened into the store to make a purchase. While talking with the party that was in favor of the business insurance, Mr. Marzano learned that his wife had been acting as cashier and as a part-time clerk. Later, when talking with the other partner Mr. Marzano found that he did not get along well with the wife. Seizing upon the opportunity, Mr. Marzano asked the reluctant prospect if he ever stopped to consider who would be his next partner if his present partner passed away. When Mr. Marzano explained it would be the wife of his present partner he immediately asked how much the cost would be for the business insurance.

Treats Partnerships

Mr. Schultz in his talk commented that basically the same arguments used in the purchase of the stock of a deceased stockholder for a corporation are used in the sale of life insurance to fund a partnership buy-and-sell agreement. He referred to this as a liquidation agreement. Because of the difference in legal structure of a partnership, Mr. Schultz pointed out, agents are in a stronger position to be of assistance to prospects than in a corporation approach.

Mr. Schultz specifically referred to the fact that a partnership upon the death of a partner automatically terminates and the surviving partner must settle with the heirs of the deceased.

The business must be liquidated, sold to the heirs, or reorganized. Legally, he stated, the business has terminated.

The cure for this situation, Mr. Schultz observed, is a partnership agreement. He expressed amazement that many partners have none. Such an arrangement covers not only the phases of an agreement that have to do with a partnership during the life of the partner, but also can provide for the liquidation. These agreements, he remarked, must be funded and if the partners are fortunate, they are using the most economical method known and that is life insurance owned on each other.

Mr. Schultz believes there are four classes of prospects. He listed these as partnerships that do not have a liquidation agreement; partnerships, even though funded with life insurance, which have been improperly handled; those which have not been reviewed and are seriously impaired because of inadequate coverage; and key man insurance needs of a partnership.

In expanding on the latter class, Mr. Schultz commented that in most successful partnerships the partners are invaluable to each other and therefore, as a by-product to the liquidation agreement, key man insurance should bring additional business. He considers this a class of business too often overlooked.

Discussing key-man insurance, Mr. O'Shaughnessy said that in view of the favorable treatment of stock sold by the executor to the corporation to the extent of death taxes under section 115G, key-man life insurance owned by the corporation is an ideal solution to the death tax problem. This encourages estate analysis, since the stock interest under 115G must be at least 50% of the deceased's estate. To qualify under this provision it may be necessary to

change joint tenancy to tenancies in common, etc. The corporation then buys family business setup that Mr. O'Shaughnessy described. The corporation pays all premiums, owns all rights, and is the beneficiary.

The premiums are paid out of surplus and while the premiums are not deductible as business expense, there frequently is an income tax advantage. If the corporation must contend with a section 102 problem, it is very likely that some of the premiums over the years will be paid out as dividends. If that is the case the tax savings may be of considerable importance. If the earnings of the corporation are large in relation to the book value, there will of necessity be a substantial amount of good will. In such a case life insurance may have scant effect on the value of the stock for tax purposes.

L.I.A. Names Heads of 1951 Committees

Life Insurance Assn. has named its committees for 1951, the chairmen of which follow:

Anti-trust, Howard C. Spencer, vice-president Home Life; auditing, Joseph J. Clair, controller Metropolitan Life; budget, Harry W. Jones, vice-president Mutual Benefit Life; coordination, James A. McLain, president Guardian Life; direct placements, Frazar B. Wilde, president Connecticut General.

Investment research, Robert B. Patrick, financial vice-president Bankers Life of Iowa; membership, J. Howard Oden, president North American Reassurance; nominating, Edmund M. McConney, president Bankers Life of Iowa; program, Julian D. Anthony, president Columbian National; program, William A. Berridge, economist Metropolitan Life.

Equitable Advances Eight Home Office Executives

Equitable Society has promoted Henry G. Wood from 2nd vice-president to secretary, R. I. Nowell, John H. Muller and Charles W. Dow from 2nd vice-president to vice-president, Walter



R. I. Nowell



H. G. Wood

Klem from 2nd vice-president and associate actuary to vice-president and associate actuary; Nathaniel E. Horelick from general manager of the group department to 2nd vice-president, and W. J. November and J. Henry Smith from associate actuary to 2nd vice-president and associate actuary.

Mr. Wood succeeds Alexander McNeill, who is retiring after 50 years with the company, 12 of them as secretary.



John H. Muller



C. W. Dow

Mr. Wood, a Bowdoin graduate, received his law degree from Columbia in 1924 and also studied at the University of Paris law school. He was formerly head of the legislative counsel of the U. S. Senate. He joined Equitable as special assistant to President Thomas I. Parkinson in 1943 and became 2nd vice-president last year. Mr. McNeill, after various promotions, became in 1919 superintendent of the foreign bureau, assistant secretary in 1928 and secretary in 1938.

Four New Vice-presidents

Mr. Nowell joined the company in 1937 and served as farm mortgage manager for four years before being appointed 2nd vice-president in 1944. He is a graduate of Utah Agricultural College and before joining Equitable was an economist with the federal farm board.

Mr. Muller joined Equitable in 1937 as assistant city real estate manager, transferring to Mr. Parkinson's staff in 1941 to organize a large-scale housing program. He was named city real estate manager later that year, becoming 2nd vice-president in charge of the newly created home loan and housing department in 1944. He is a graduate of Stevens Institute of Technology and was with Irving Trust Co. of New York City before joining Equitable.

Mr. Dow joined the company in 1935 as head of the industrial investment securities department, becoming 2nd vice-president in 1944. He graduated from Iowa State College in 1929 and was with Cities Service Co. before joining Equitable.

Mr. Klem joined Equitable as 2nd (CONTINUED ON PAGE 28)

The COMMONWEALTH Commentary

LIFE INSURANCE SENDS TEN DIVISIONS!

Yes—200,000 life insurance salesmen—that's the sizable army the life insurance companies of America have thrown into the battle against the nation's most dangerous Enemy, run-away inflation.

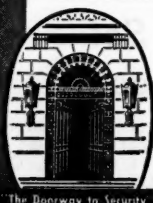
Government price regulations so far have failed to stop this Enemy. Many technical, legal and political problems have to be solved before price controls will function.

Meanwhile, our economy is being dealt terrific blows. Prices march upward, hoarding continues, there's mad bidding for scarce commodities.

Our army of life insurance men, who are trying to hold the lines by preaching thrift and saving, and by opposing non-military Government spending, must redouble their efforts. Truly, it's a question now of "Have we got what it takes to win this all-important battle on the home front?" The answer lies with each one of us, and with our Government which has the authority to take vigorous measures—if only it will do so.

KEEP FIGHTING!

INSURANCE IN FORCE January 1, 1951—\$483,455,995



COMMONWEALTH
Life Insurance Company

HOME OFFICE • LOUISVILLE, KY.

Investment Outlook Good Till Summer, Then Doubtful

Year's Results Will Depend on Treasury Measures to Finance Defense Spending

By DONALD J. REAP

The short-term life insurance investment outlook is good by recent standards but forecasts beyond mid-summer are for more restricted outlets and growing pressure to buy governments with a consequent decline in yield on new money.

The optimism for the next quarter is based on the still outstanding large backlog of mortgage commitments and sustained demand in the corporate securities market.

Mortgage loan departments are still utilizing the outlets stirred up last fall by Regulation X and the subsequent capitalization on that rule by mortgage brokers. The federal reserve board is trying to determine the scope of the over-all commitment by all mortgage lenders but as yet has come up with no figure. If the backlog is, for example, near 500,000 units, at an average amount of \$8,000, that would total \$4 billion. Life insurers have a substantial part of this backlog.

New Mortgage Supply

Meanwhile, even with the restrictions, considerable new housing, perhaps 800,000 units, may be started this year. Though off 40% from 1950, that is still a large volume and enough to absorb a large outlay of funds.

The 800,000 figure is not definite. It could be high, if materials are more curtailed than is now anticipated or it may be low. There is a bill pending in Congress that authorizes the construction of 200,000 defense housing units which strengthens the 800,000 figure.

There is a continuing demand in the corporate security market which must expand to handle defense production and sympathy exists for letting private lenders handle the financing. High corporate taxes will make it difficult for firms to take money from retained earnings for expansion.

These data add up to the prediction that there will be adequate outlets for funds for the next few months. But if priorities, rationing, allocations and credit restrictions are stiffened, and the government has the authority to toughen up, the picture darkens considerably.

Treasury Borrowing

Government attitude may depend upon the experience the Treasury has this summer when it is expected to borrow from private companies to finance the defense budget. If the Treasury loan is "timed" right and private investors are willing, the problem may be not as difficult as it now appears. But if it isn't, and private lenders are not then interested in buying governments, the Treasury may either increase the yield, a very unlikely possibility, try to make bonds more attractive to the public, or sell more governments to the commercial banks, from an inflation standpoint the least desirable move it can make.

Assuming that the Treasury wants the money and wants it at 2½% and private lenders are unimpressed at that rate, it may indirectly use force, perhaps by stirring up public opinion against investors who do not buy the

(CONTINUED ON PAGE 28)

Companies Report Farm Loan Business Is Dwindling Fast

Although many investment officers had started the new year with high hopes for the farm loan business, the trend has been downward since Jan. 1, with the price stabilization board ruling, the future is even darker.

In January, farm loans totaled something more than \$35 million, or approximately 4% of the total investments for that period. A year ago farm loans accounted for 5%.

The answer is not hard to find. For one thing, farmers are cutting off purchases of new equipment, which is becoming both scarce and expensive. Nor are they satisfied with food prices. One farmer explained, for example, to one of the large life companies that he was cutting hog production a third.

The reason—pork was frozen at a season's low price, he charged, while the price of corn is soaring. He said it now figures out to about \$20 worth of corn for every pound the hog weighs. That, he considers exorbitant.

Instead of borrowing and expanding, farmers are beginning to draw in and consolidate past gains, one farm investment executive explained. So they are paying off and reducing existing loans—which means, unless the present trend is reversed, that there will be no more farm investment.

As he put it, "not only this little piggy, but all the little piggies will stay home—and that's going to apply to other farm products too."

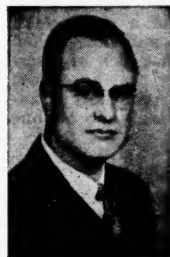
Buffalo cashiers heard Bernard A. Shilt, supervisor of commercial education, discuss facilities in the schools for furnishing part-time workers. Col. Merle Smith, general agent of Mutual Life, spoke on civilian defense.

N. Y. STATE MANAGERS MEET

Increase in U. S. Controls Even Worse Threat Than Inflation, Says Shanks

By A. A. HOEHLING

The life insurance business is facing an even more serious threat than the shrinking purchasing power of the dollar, and that is increasing governmental controls, said President Carrol M. Shanks of Prudential at the annual



C. M. Shanks



G. P. Shoemaker

managers' meeting of the New York State Life Underwriters Assn. at Saratoga Springs.

Mr. Shanks declared that the federal reserve board is possibly hoping for power to make banks hold special reserves in government bonds. This would amount to a frozen supply of assets. If this happens there is no question but what insurance companies would be close behind, he warned, saying it would be very crucial for the life companies. It would start them a long way down the road toward lower earnings. In turn they would be disastrously weakened in their role as supporter of American business and American homes.

He characterized it as a "malignant social disease" which is responsible for

devaluing the dollar. He said that such a disease has arisen because the party which has been in power so long has found it could stay in a rein-holding position by spending more money to appeal to the masses. Promises of good things in life obtained easily have spoiled the people and created a false sense of values.

He characterized non-defense spending as one of the most serious causes of inflation. He laid the blame strictly at the administration's door.

He said that although a certain amount of price and wage controls is necessary there has been only a semi-freeze, with specially favored groups completely left out. He said this is another unstable and damaging factor in our economic setup. He asserted perhaps the most constructive step taken so far to guard against inflation is the fact that taxes are being raised.

Sweeten Discusses Recruiting

E. Craig Sweeten, Jr., placement director of University of Pennsylvania, told the managers that, as a person who wished that he had made insurance his career he was "terribly disappointed" in the recruiting job being done by all life companies.

He attacked the approach used by insurance men to find new talent on all fronts. To begin with, he pointed out, most companies use what he described as a "salvage" type of recruiting. That is, they avoid hiring young men, waiting to get the age group over 30. This often means, he said, that a man has already been tried out in some other business and quite possibly has failed.

He said that the biggest corporations today are recruiting their men right on the campuses and training them themselves. They are willing to string along with them for several years, not demanding that they hit their productivity peak immediately. As a result, he said, these companies can have the pick of the college crop and their years of waiting to reach productivity are more than repaid by the man's knowledge of the job when he is finally ready.

LACK ENOUGH TIME

Mr. Sweeten asserted that what recruiting is done by life companies at colleges is performed by general agents who really do not have sufficient time to leave their office. He said that life companies, like other businesses, should have a home office staff which does nothing but go around to colleges and universities interviewing. Only in this way, he added, can a company personalize itself to the undergraduates.

He declared there is an extreme psychological disadvantage in that companies expect the new man to "come through in a hurry." On the other hand he said that the salary question probably does not discourage many potential agents away from the business. The big drawback is the method by which companies try to attract men to an insurance career.

Pointing out that the life business is not getting returns in recruiting in proportion either to the output of effort or to the scope and worth of the business, Mr. Sweeten mentioned that out of a recent group of 500 graduates only some 15 went into the life business. He estimated that 75 instead should have chosen such a career.

Competition at Its Keenest

He asserted that there is more competition this year than ever before for the colleges' output. He estimated that between 3,000 and 5,000 representatives of business and industry will raid the campuses to recruit the best students and warned that life companies should

(CONTINUED ON PAGE 28)

"Mail Call"

Ambrose Bierce once wrote a book called "Write It Right" in the interest of better writing. It had to do with the refinements of syntax and vocabulary. It had for its thesis that if you were going to write—a letter, for example—you might as well be correct.

We suggest that when you write a letter to a soldier—engaged in the Korean war or hospitalized out of it—you do not read the book. If you start fussing about writing it right you probably won't get the letter written. The G.I. waiting for that letter is not fussy. He is more interested in quantity than quality. But he could be fussy about the spirit of the letter. He wants to be up, not down. And that means that you have to be up, not down. He wants you to be a little warm.

If you feel self-conscious about your writing do some of your writing with a pair of scissors. If you see something amusing in the home town newspaper, cut it out and mail it—along with a comment. A clipping is not a letter, but with a letter it will help. There is an expression used out West, of a good Joe, that "He will do to take along."

THE PENN MUTUAL LIFE INSURANCE CO.

MALCOLM ADAM

President

INDEPENDENCE SQUARE, PHILADELPHIA

Many Sales Ideas Offered at Chicago A. & H. Congress

Featuring an afternoon program of five speakers, the sales congress of Chicago A. & H. Assn. Tuesday brought forth an attendance of about 150 agents and company men. The meeting opened with a luncheon and was closed with a cocktail party.

Hard work and knowledge of the business were stressed by the three speakers who took up the selling end. Frank Walton, manager at Waterloo, Ia., for Mutual Benefit H. & A., said that although the United States is entering its era of greatest inflation and spending, the A. & H. business has obligations and must keep the service feature foremost.

The big boom has already begun, Mr. Walton declared. He read figures to show that consumers in 1951 will have \$210 billion to spend, and most of this will be forced into soft goods and services. Insurance is a service, he observed, but purchase of it also tends to curb inflation by acting as a stabilizing factor.

The agents can build good incomes for themselves in the next few years, Mr. Walton said. He mentioned that it is possible to take up a specialized field

of prospects and by concentrating on them learn enough about their business to meet with them on common ground. One agent devoted most of his selling to nurses in Detroit, and by talking their language was able to sell a high percentage of calls.

Statistics offer a good approach. Mr. Walton recommended telling the prospect that he may be the one of eight who will be disabled in a given year. This is effective, he commented, when the prospect shows initial lack of interest. The agents can say that he cannot force a sale, but neither can he guarantee that the prospect will not be one who is sick or injured.

Claim Service Appreciated

Mr. Walton showed a form letter that his agency has sent to claimants asking how they were treated and for comments on the claim service. Of one group of 2,095 letters, the agency received a 35.1% return, 96.8% of which was complimentary to the coverage and service.

Hal Bergdahl, dealer sales manager of the Crane Co., talking on "A Bonus

Every Month," emphasized the need for improvement in sales technique. Doing what is best for the customer in the long run, he said, is also best for the salesman. The prospect should be approached in terms of what the product can do in the way of benefits. The agent should forget what his commission will be and take the attitude of helping the customer.

No sale can be started unless the salesman first gets favorable attention from the prospect. Mr. Bergdahl added that this must be done quickly, and by talking benefits the interest of the prospect is immediately aroused. He advocated the use of visual sales aids, commenting that 87% of people's impressions are gained through the eye. Visual aids keep the prospect's mind from wandering.

If the prospect says the price is too high, Mr. Bergdahl said it is either because it is the usual means of getting rid of a salesman or because the salesman has done a poor job of explaining his product. The agent must demonstrate clearly that what he offers is worth the price asked for it.

Must Have Desire to Sell

The agent must have a driving desire to sell, M. C. Laughman, Minneapolis manager of North American Life & Casualty, stressed in his talk on "Piddling & Peddling." Mr. Laughman said too many insurance sales are made by peddlers who have little knowledge of their product, and don't attempt to fill adequately or by plan the needs of the prospect.

He said he started in business when he was sold an accident policy while he was working in a bank. In his first week he made more than his monthly salary while working only part time, but his information about his product came from circulars the agent had left with him. However, Mr. Laughman said he had one of the basic ingredients of a salesman, the desire to sell, and in 10 months he accounted for 1,002 applications and won a company contest. He was only 17 at the time.

When the company made him Nebraska manager he discovered that to continue his success he had to organize his time. The man who becomes a leader in selling, he observed, is one who will burn the midnight oil, is willing to work hard and long hours. Many agents are still following the peddler idea, offering a variety of lines and taking what the prospect wants. They are not selling, doing a service for the insured, Mr. Laughman said.

Follow Organized Procedure

In his agency, Mr. Laughman declared, the agents follow an organized procedure in selling. They have a sales track that is based on finding out the facts about the prospect, preferably through referred leads, fixing the problem so that the prospect understands the need, and offering a solution.

Those who do not follow a plan, Mr. Laughman remarked, often start the interview by describing a "beautiful policy" without showing the prospect why he needs it. That is the same as a real estate agent offering a deed before showing the house. Here is no sales appeal, no service.

A report on activities of the International association was given by Wesley J. A. Jones, executive secretary. He said that sales congresses are one of the best methods of providing a clearing house for interchange of sales ideas. They improve sales quality.

The association, as a member of the disability insurance coordinating committee, is assisting the business by acting as a sounding board between the agents and companies, Mr. Jones stated. Many industry projects originated in this group. He reported that the Leiby-Gordon memorial portfolio, which contains 100 outstanding sales ideas, will be ready for distribution before the annual meeting of the association.

E. H. O'Connor, managing director of

(CONTINUED ON PAGE 28)

Lounsbury Warns Inflation May Make Life Men Liars

Ralph R. Lounsbury, president of Bankers National Life, outlined for



R. R. Lounsbury

Baltimore Life Underwriters Assn. some of the steps which they can take to help halt inflation before it makes out of life insurance men some of the worst liars the world has ever seen. The life insurance men have implied that by purchase of life insurance a man was providing his dependents protection which actually cannot be provided if inflation continues, he said.

According to Mr. Lounsbury, life insurance men must help educate the individual citizen to voluntarily cut down his purchases and his standard of living. He said that experience under OPA should be sufficient proof that price controls alone are not sufficient to halt inflation.

If many people could be gotten to cut down their consumption of goods and services, this would ease the demand and prices would stay approximately where they are, he said. He pointed to the startling rise in prices during the last six months of 1950 as a result almost entirely of the biggest civilian buying spree in the history of the nation by people driven on by fears that would have been largely groundless if they had restrained themselves. Defense demands were actually very light in this period.

Mr. Lounsbury admitted that bringing everyone to the realization that it is his duty to cut down on individual consumption in order to stop inflation is not possible and, therefore, indicated that some controls are needed to make it impossible for the well-organized minority groups to force the unorganized economic groups to bear all the burden of the defense effort.

Many people will buy life insurance for long-term benefits and they will buy reduced spending and increased savings if they see the merit of such procedures. Here is the opportunity for life insurance people to do some missionary work, he said.

Life Insurance Furnished Nearly \$12 Billion Capital

Institute of Life Insurance has determined that during 1950 the life insurance business provided \$11,700,000,000 toward meeting the capital needs of the nation through securities, mortgages, and real estate. More than \$4 billion of this total was new money and about \$7,500,000,000 was from maturities and the refinancing of investments previously made.

Real estate mortgages constituted the largest block of new investments with a record \$4,900,000,000 financed during the year. Corporate securities purchases amounted to \$3,960,000,000.

1951 Detroit Telephone Directory Is Published

The 1951 Detroit insurance telephone directory has just been published by the National Underwriter Co.

The directory contains a comprehensive listing of Detroit insurance organizations and persons in Detroit who are associated with insurance.

Copies may be obtained from the National Underwriter Co., 420 East Fourth Street, Cincinnati 2, O., at \$1 per copy.

NUMBER TWO in a series of advertisements outlining advantages enjoyed by field underwriters of the Equitable Life of Iowa

TRAINED FOR SUCCESS

Field underwriters of the Equitable Life of Iowa are expertly trained. New associates are enrolled in a combined study and field project known as the Basic Training Course. The next step in the training process is attendance at a Home Office School. Then follow two Intermediate Training Courses featuring estate plans, business insurance fundamentals and programming. Cooperation is given eligible associates in their attainment of the Chartered Life Underwriter designation. Continuous personal supervision is given to the training progress of all recruits.

EQUITABLE



Life Insurance Company
OF IOWA

FOUNDED IN 1867 IN DES MOINES



46th

ANNUAL STATEMENT

of

The Lincoln

National Life

Insurance Company

FORT WAYNE 1, INDIANA

BALANCE SHEET AS OF DECEMBER 31, 1950, CONDENSED FROM THE REPORT FILED WITH THE INDIANA INSURANCE DEPARTMENT

RESOURCES

CASH IN BANK AND OFFICE.....\$ 6,907,567.10

Balances are carried in 53 banks.

*BONDS AND STOCKS..... 228,496,985.31

The Company holds \$69,636,650 in U. S. Government bonds and \$2,669,000 in Canadian Government guaranteed bonds; \$24,656,511 of state, provincial, county and municipal bonds; \$9,264,612 in railroad bonds; \$70,083,479 in public utility bonds; \$27,010,972 in industrial and other bonds; \$13,503,707 in industrial and public utility preferred stocks and \$11,672,054 in other stocks.

MORTGAGE LOANS..... 184,530,793.30

\$93,446,082 of these are F.H.A. loans guaranteed by the U. S. Government and \$31,887,016 are G. I. loans guaranteed in part by the Veterans Administration.

LOANS TO POLICYHOLDERS..... 19,772,440.41

BALANCE DUE ON PROPERTIES SOLD UNDER CONTRACT..... 1,043,519.74

REAL ESTATE HELD AS INVESTMENT..... 12,028,086.11

HOME OFFICE PROPERTY..... 1,408,958.32

INTEREST DUE AND ACCRUED..... 2,486,319.33

Accrued but not yet due \$2,281,159.59; due \$205,159.74.

NET PREMIUMS IN COURSE OF COLLECTION 12,041,097.35

Premiums required to complete contract year.

ALL OTHER RESOURCES..... 1,601,650.42

TOTAL RESOURCES.....\$470,317,417.39

*Detailed list of bonds and stocks will be mailed on request.

LIABILITIES

POLICY RESERVES.....\$347,210,381.65

This is the amount which with interest and future premiums will pay all future policy claims as they mature.

ADDITIONAL POLICYHOLDERS' FUNDS..... 9,839,379.70

Amounts set aside for or already apportioned to policies in addition to policy reserves.

PREPAID PREMIUMS AND INTEREST..... 7,949,314.69

CLAIM RESERVE..... 5,475,891.93

For claims not yet completed or reported.

RESERVES FOR TAXES PAYABLE IN 1951.... 2,692,340.13

MISCELLANEOUS CONTINGENCY RESERVES. 46,586,161.88

General investment contingency reserve \$8,000,000.00; contingency reserve for stocks and bonds \$33,111,161.88; reserve for future revaluation of policies \$27,975,000.00; mortality fluctuation reserve \$7,500,000.00.

ALL OTHER LIABILITIES..... 2,462,851.16

TOTAL LIABILITIES (except capital).....\$422,216,321.14

CAPITAL.....\$10,000,000.00

UNASSIGNED SURPLUS..... 38,101,096.25

SURPLUS TO PROTECT POLICYHOLDERS.... 48,101,096.25

TOTAL.....\$470,317,417.39

†Effect of this reserve is to adjust value of bonds not subject to amortization and stocks to the lower of the purchase price or market value.

PROGRESS HIGHLIGHTS

Insurance in force showed a gain during 1950 of more than \$351,000,000 to a total of \$3,839,744,957.

Admitted assets increased during the year by \$45,839,172 to a total of \$470,317,417.

New Business during 1950 amounted to \$672,795,910, the greatest amount of paid business in the Company's history.

The surplus to protect policyholders increased \$8,441,495 during the year 1950 to a total of \$48,101,096.

Note: This balance sheet is applicable in all states except Texas, New Jersey, and Massachusetts. In these three states, by reason of certain statutory requirements, it is subject to slight variation.

Butler Would Put Damper on Texas as Promoters' Paradise

The forthcoming report of the insurance code committee of Texas recommends rearrangement of the insurance laws without any change in substance, according to a memorandum that George Butler, Life insurance commissioner and chairman of the board of insurance commissioners of Texas, has sent to the governor and legislature. Mr. Butler feels that a number of important substantive changes should be made and he makes specific recommendations.

For one thing he recommends enactment of the revised A. & H. standard provisions law which was approved by National Assn. of Insurance Commissioners.

Mr. Butler recommends repeal of the law permitting organization of new local mutual aid associations. During 1930, 250 of these were licensed.

Numerous types of organizations that are engaged in the insurance business are apparently exempt from insurance department supervision. If there are to be exemptions, these should be set forth

in such a manner that it is easy to determine whether an organization is or is not subject to supervision. Some types of companies operating unrestrained are a public detriment, he said.

Mr. Butler recommends legislation placing stock sales of insurance companies increasing their capital either under the securities commissioner or under the insurance department.

Provisions for service of process on all insurers should be made uniform.

He recommends amending the premium tax-reducing provision for Texas investments specifying that this applies to actual properties within Texas. He said that a foreign insurer with which the department is now in litigation formed a Texas company with cash and then bought an office building in another state and this is about the only asset of the Texas company. This insurer contends that the actual stock which the insurance company owns is "property in Texas."

In the life division, Mr. Butler recommends a fee of \$1 for every agency appointment. Presently, he said, many companies such as those specializing in polio cover and casualty companies whose A. & H. agents are licensed through the life division, are functioning mainly through agents who are already

licensed by other companies and hence are relieved of license fee costs.

He recommends a statute permitting the commissioner to publish in such manner as he deems fit, details concerning the operations of an unlicensed company in Texas.

Also, Mr. Butler would like a law placing insurance advisers and consultants under supervision, requiring them to be licensed.

He said he favors a law requiring insurers to investigate the history and background of each agent from the standpoint of his reputation as a good citizen. Some companies, he said, make no such investigation and leave the matter to local or district managers whose only notion is to get good producers.

The laws in relation to twisting and misrepresentation need to be strengthened. He expressed the belief that these abuses are more prevalent in A. & H. and hospitalization fields than any other. The department receives many complaints that the agent has failed to incorporate into the application the true facts concerning the applicant's health and past medical history, and that the agent has misrepresented the benefits in the policy to the buyer.

Many of these complaints, he declared, are stirred up by competing agents who are trying to disquiet the policyholder. He advocated a statute requiring that applicants for A. & H. and hospitalization fill out the application themselves instead of permitting this to be done by the agent.

Licensing Fraternal Agents

He wants a law requiring fraternal agents to be licensed.

Without making a specific recommendation, Mr. Butler said there had been much discussion of the idea of written examination for life and A. & H. agent licenses. He said this might work a hardship on the smaller companies, particularly the mutual assessment concerns, fraternal and burial concerns. Such institutions probably should be exempt from any such examination requirement.

Mr. Butler recommends elimination entirely of the statute providing for so-called limited capital stock, life and A. & H. companies and the minimum requirement for a legal reserve life and A. & H. company should be \$100,000. Also there should be a surplus requirement of 50% of the capital stock.

Also a mutual legal reserve life company should be required to have a contributed surplus of at least \$100,000. He said he has had much trouble with the so-called Chapter 7 companies which can be started with as little as \$1,000 in the bank. There have been many of these companies that started without any surplus and have gotten into trouble in their first year or two.

Favors N.A.I.C. Model Bill

Fraternal, he said, should be required to file their policy forms or have them approved by the department. He said he believes the model bill drafted by National Assn. of Insurance Commissioners for regulation of fraternal would correct the problems that he has in mind.

He said there should be a specific prohibition against individual policies providing for both life and A. & H. cover, but with permission for issuance of premium waiver or monthly income disability benefits with a life contract.

Mr. Butler recommends amending the coupon benefits law so that policyholders will receive equitable settlements in connection with the lapsing of such policies. This law permits companies to charge a level additional expense loading from which payments may be returned to the insured in amounts varying with each policy year. In effect, he said these are merely the return to the policyholder of part of money that he has paid in the form of additional expense premium loading. The statute, he said, permits inequity to the policyholders both in the amount of non-forfeiture values available and the amount forfeited in event the policyholder does not

pay a full annual premium during the policy year in which he might lapse his policy.

There should be uniformity in the grace periods on ordinary and group policies.

Mr. Butler said the law should be revised to relieve the department of the responsibility of setting the extra premium to cover the risk of modern warfare. Instead, the board should be given the power to make mandatory the inclusion of war risk exclusion provisions and to formulate reasonable rules in connection therewith.

Mr. Butler observed the Texas life insurance insurable interest laws are unique among the states and they should be revised.

The law should be revised to require the policy forms of all types of annuities, life insurance and A. & H. to be submitted to the department for its approval, giving the department authority to establish reasonable rules and regulations relative to approval of such forms, giving the department authority to disapprove the forms if the policy benefits are unreasonable in relation to the premium charged, if forms contain provisions that encourage misrepresentation or are unjust, unfair, of negligible economic benefit, inequitable, misleading, deceptive, contrary to law or to public policy.

Engelsman Named Head of L.U.T.C.

At its annual meeting, Life Underwriter Training Council elected Ralph G. Engelsman, Penn

Mutual, New York, president. He succeeds Benjamin N. Woodson, executive vice-president States Life; Robert Indiana. Orville E. Beal, vice-president of Prudential, was elected vice-president. New trustees are O. J. Lacy, president California - Western States Life; Robert B. Coolidge, vice-president Aetna Life, and Chauncey D. Cowles, Jr., Northwestern Mutual, Buffalo.

In his annual report, Managing Director Edmund L. G. Zalinski said L.U.T.C. has become the largest and fastest growing training course in life insurance with a current enrollment of 4,400 in 225 classes. He cautioned against extreme optimism in view of present unsettled world conditions and outlined an aggressive campaign to guarantee the enthusiasm of companies and field men in this course.

Eleven regionals are being held throughout the country this spring and a new film, together with displays and other materials, has been prepared.

Life Company Taxation Hearing Set for Feb. 28

WASHINGTON — Feb. 28 has been set for testimony on life insurance company taxation before the House ways and means committee. Claris Adams, president Ohio State Life, chairman of the joint committee on taxation of Life Insurance Assn. and American Life Convention, is scheduled to appear as industry spokesman. Acacia Mutual is also reported scheduled to appear the same day.

Life insurance will be handicapped in presenting its case, its representatives believe, unless the Treasury Department meanwhile discloses its hand. The department is believed to have under consideration a new proposal or formula for taxing life companies. However, life interests, confronted by a deadline for filing requests to be heard, had to submit their requests without awaiting further word concerning Treasury plans.



R. G. Engelsman

Rational minds and steady hands are great assets in these eventful times. We shall strengthen them most through continued attention to the primary obligation of our business — the financial security of the American Home.



KANSAS CITY LIFE INSURANCE

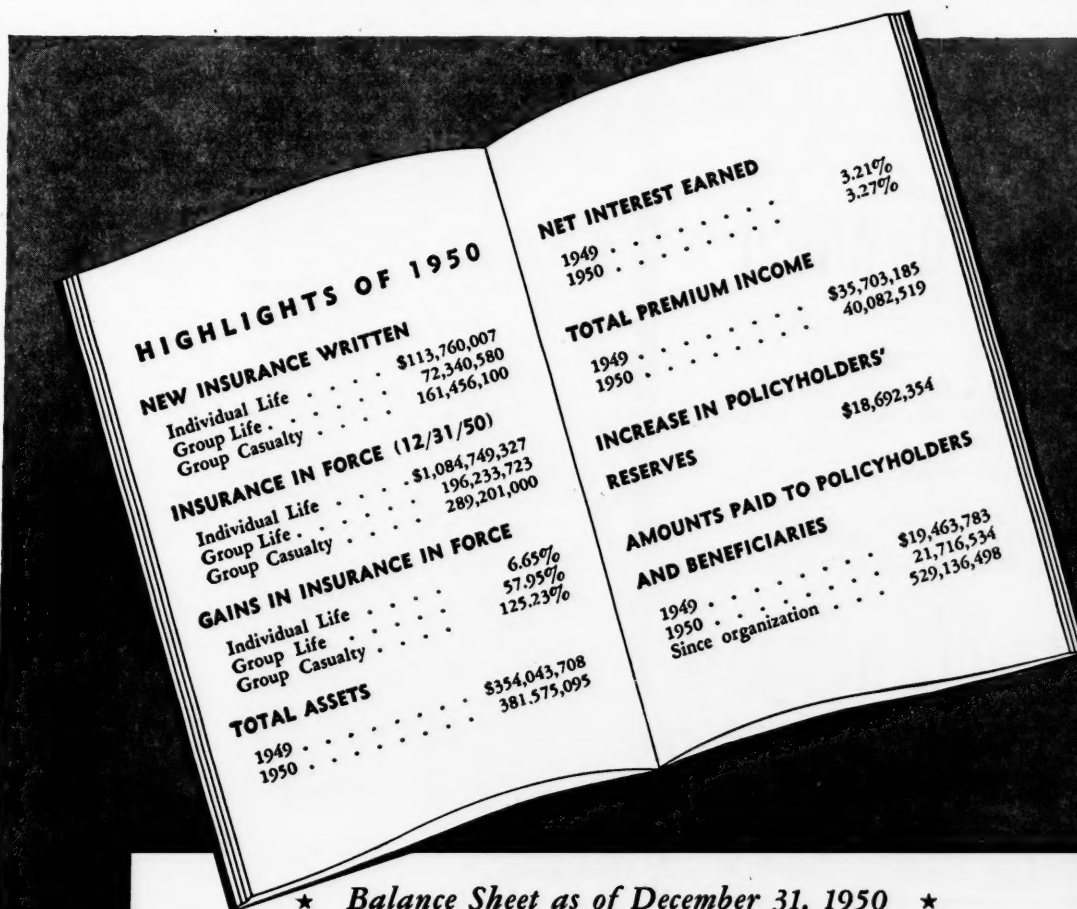
KANSAS CITY, MISSOURI

STATE MUTUAL LIFE

has weathered the storms, wars, panics and uncertainties
of the past 106 years

Today... stronger than ever

It presents Highlights of its Progress during 1950



★ Balance Sheet as of December 31, 1950 ★

ASSETS		LIABILITIES	
Cash on hand and on Deposit in Banks . . .	\$ 4,588,011	Reserves to meet future contract obligations . . .	\$289,063,027
United States Government Bonds . . .	64,457,003	Dividend accumulations and policy proceeds payable in installments . . .	57,937,859
All other bonds . . .	109,393,120	Premiums paid in advance . . .	6,239,038
Stocks . . .	11,142,417	Policy claims in process of settlement and estimate of claims not yet reported . . .	2,126,166
Mortgages on Real Estate . . .	162,080,894	Policyholders' dividends declared but not yet payable . . .	4,731,984
Real Estate including Home Office . . .	5,377,826	Deposits by mortgagors to pay future taxes . . .	428,957
Loans on Policies . . .	14,678,785	Taxes and Expenses accrued . . .	1,567,878
Interest and Rents Accrued and Due . . .	2,233,597	All other liabilities . . .	298,361
Net Uncollected and Deferred Premiums . . .	7,032,144	Reserve for future changes in market value of investments . . .	3,160,000
Miscellaneous . . .	591,298	Surplus (Reserve for Contingencies) . . .	15,221,825
Total . . .	\$381,575,095	Total . . .	\$381,575,095

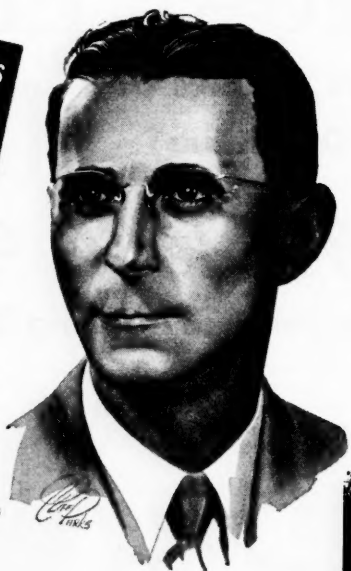
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CHARLES R. DUPWE
one of ANICO'S leading agents
Roswell, New Mexico



You can grow with ANICO

- ★ A working contract that permits outstanding earnings.
- ★ Policies that stand out in value against any competition.
- ★ A management philosophy that is based on the axiom that a company succeeds only when its agency force succeeds.
- ★ The most modern and effective selling aid program that can be devised.

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ALSO OTHER TERRITORY

AMERICAN RESERVE LIFE
Insurance Company
OMAHA

LIFE — ACCIDENT — HEALTH — HOSPITALIZATION

New High Expected for M.D.R.T. This Year

John O. Todd, Northwestern Mutual, Chicago, Million Dollar Round Table chairman, reports a considerable gain over the same period a year ago in the number of applications received and processed. The final filing date for applicants is March 15.

In releasing the initial list of 1951 qualifiers, Mr. Todd said that, although it is too early to draw any definite conclusions, "every indication points to a new high in total membership, both because of a larger than usual group of first time qualifiers and because of the ever-growing foundation of life members."

The qualifiers listed include those whose completed applications were received in the chairman's office by Jan. 31. A further list will be published covering applications processed by Feb. 28.

Already there are 50 who have been approved as first time qualifiers, Mr. Todd pointed out, as compared to only 83 for all of last year. Many additional applications are still being processed. As of Jan. 31, 38 have been qualified as first-time life members, which compares favorably with last year's total of 75 in this group. The number who have attained life membership is close to 650.

Since Jan. 31, nearly 125 additional applications have been accepted and the qualifying members notified. These names will appear in a later list.

The initial list includes:

First Time Qualifiers

W. J. Ackerman, New England Mutual, Los Angeles; W. F. Alexander, Equitable of Iowa, Lawrenceburg, Tenn.; Sam Baum, Guardian, Denver; Jerry Bell, Southland, Austin, Tex.; Jean Black, Conn. General, Indianapolis; Raymond Campbell, Jr., Southwestern, Dallas; R. T. Cayce, Great Southern, Houston; G. A. Davenport, John Hancock, San Antonio; H. D. Davidson, Penn Mutual, Memphis; D. A. Donaldson, London Life, Toronto; H. E. Duffy, Conn. Mutual, Waterbury, Conn.; W. B. Ferrell, Home Life of N. Y., Richmond; F. F. Figg, State Farm, Bloomington, Ill.; Tom Flournoy, Jr., New York Life, Macon, Ga.; W. E. Fox, Union Central, Chicago; P. E. Garrett, Ohio National, Spokane; Don Gibson, Mutual Life, Wellsville, N. Y.; J. F. Goffredo, Northwestern Mutual, Philadelphia; M. K. Gunz, Mutual Benefit, New York; L. G. Hardy, Imperial, Toronto; T. G. Harrison, New England Mutual, Nashville; S. S. Herman, Conn. Mutual, Chicago; M. P. Hoke, Conn. General, Hartford; L. C. Hood, Northwestern Mutual, Chicago; M. W. Howie, Liberty National, Birmingham; W. B. Jadden, New England Mutual, Los Angeles.

A. R. Kemp, New England Mutual, Chattanooga; L. C. Kiesling, Continental American, Wilmington; D. P. Kreer, Fidelity Mutual, Chicago; Stanley Liss, New York Life, New York; D. L. Mitchell, Penn Mutual, Seattle; J. V. Miller, Northwestern Mutual, New York; P. T. Moricka, Manufacturers Life, Honolulu; J. K. Petrie, New England Mutual, Baton Rouge; R. R. Pharr, New York Life, San Diego; John Phillips, III, New England Mutual, Memphis; J. P. Poole, Guardian Life, Atlanta; A. J. Pratkan, American General, Houston; A. F. Raynor, London Life, Toronto; N. E. Rhoton, New York Life, Flagstaff, Ariz.; E. P. Ripley, National Life of Vt., Roanoke; Adam Rosenthal, General American, St. Louis; C. T. Rothermel, Jr., John Hancock, Chicago; P. M. Ryan, Mutual Benefit, San Francisco; H. W. Schiever, Aetna, Toledo; T. M. Schriber, National Life of Vt., New York; A. A. Simpler, Jr., Northwestern Mutual, Wilmington; William Thurman, Mutual Benefit, Atlanta; S. W. Tracy, Conn. Mutual, Rockford, Ill.; C. A. Williams, Conn. General, Los Angeles.

Qualifying and Repeating

D. W. Ashley, Northwestern National, Fort Worth; Paul Audet, Prudential, Quebec; R. L. Blue, Continental, Miami; G. F. Bryon, Mass. Mutual, Manhasset, N. Y.; R. S. Caulkins, Conn. Mutual, Cleveland; M. C. Chier, Continental, Milwaukee; Norman Cowan, Imperial, Toronto; C. W. DeGryse, Northwestern Mutual, Chicago; J. M. Dellert, Union Central, Chicago; R. M. Goodall, Jr., Protective Life, Birmingham; H. K. Gutmann, Mutual Life, New York; I. A. Hagenbuch, New England Mutual, Los Angeles; J. D. Heard, Reliance Life, Louisville; C. J. Heldman, Prudential, Cincinnati; Rodney Hull, Mutual Life of Canada, Toronto; Oscar Hurt, Jr., State Mutual, Memphis; J. B. Kemp, John Hancock, Chattanooga; H. V. Kilbrick, New York Life, New York; A. C. Laun, Sun Life of Canada, St. Louis; W. F. Lee, Penn Mutual, Philadelphia; Samuel

Leveston, Conn. General, Hartford; C. H. Meyer, Mass. Mutual, New York; E. K. Neville, Pilot Life, Birmingham; E. W. O'Shaughnessy, Equitable Society, Chicago; Russell Pearson, Minnesota Mutual, Fort Worth; L. P. Pelletier, Mutual Life of Canada, Quebec; H. F. Poole, New York Life, Kansas City, Mo.; Jerry Powers, New York Life, Kansas City, Mo.; W. S. Poyner, Jr., New York Life, Birmingham; J. L. Price, New England Mutual, Dallas; J. R. Rhoads, Independent, Philadelphia; A. D. Rinne, Northwestern Mutual, Indianapolis; B. G. Ripley, Jr., Southwestern Life, Wichita Falls, Tex.; George Steinberger, Fidelity Mutual, Detroit; E. L. Sweedler, Union Central, Brooklyn; G. B. Tracy, Prudential, New York; L. J. Weiner, Independent, Newark.

Life and Qualifying, First Time

P. T. Aubin, Conn. General, Chicago; Huff Baines, Southland Life, Austin, Tex.; R. C. Bradley, New York Life, Columbus; H. W. Castleman, New England Mutual, Louisville; R. A. Elder, Equitable of Iowa, Williamsport, Pa.; J. H. Fargason, Great Southern, Houston; F. T. Fenn, Jr., National Life of Vt., Hartford; A. C. F. Pinkbner, Jr., Northwestern Mutual, Philadelphia; R. G. Fuller, Southwestern Life, Dallas; R. B. Hardy, Conn. Mutual, Lima, O.; G. A. Hatzes, Fidelity Mutual, Washington, D. C.; E. A. Junker, New York Life, Modesto, Cal.; C. H. Killen, New York Life, San Antonio; S. L. Klarer, Northwestern Mutual, Milwaukee; J. L. Kowins, Ill. Bankers, Baltimore; E. L. Leonard, New York Life, Winston-Salem, N. C.; J. L. McDowell, New York Life, New York; W. W. McGill, Prudential, San Antonio; H. L. Maltfort, Northwestern Mutual, Chicago; C. Mammel, Farmers & Bankers, Wichita; E. C. Marget, New England Mutual, Boston; M. D. Mason, Northwestern Mutual, New York; G. M. B. Morton, Manufacturers, Montreal; A. M. Nadler, Union Labor, New York; Julius Nadler, Union Labor, New York; J. E. Nelson, American National, Los Angeles; Bertram Parker, Southwestern Life, Corpus Christi; Robert Rogerson, Penn Mutual, Lansing; C. E. Rosch, Northwestern Mutual, Baltimore; F. Salas-Berti, Pan-American, Caracas, Venezuela; Donald Shepherd, John Hancock, Boston; C. E. Smith, Northwestern Mutual, Chicago; Warren Stone, New York Life, Washington, D. C.; L. E. Weaver, New York Life, San Francisco; M. H. Webb, Jr., Life of Va., El Paso; Irving Weinberg, Conn. General, New York; S. H. Welch, Jr., Conn. Mutual, Birmingham; E. C. Woller, Central Life of Iowa, Milwaukee.

Life and Qualifying, Repeating

J. M. Abell, Southwestern Life Houston; David Adelman, Mutual Benefit, New York; R. S. Albritton, Provident Mutual, Los Angeles; M. Austin, New York Life, Enid, Okla.; H. J. Baker, Bankers National, Boston; G. N. Bearden, New England Mutual, Los Angeles; W. R. Benz, Penn Mutual, Fort Wayne; S. M. Bernbaum, Penn Mutual, Seattle; P. V. Birmingham, Phoenix Mutual, St. Paul; S. A. Borchardt, Northwestern Mutual, New York; Fred Brand, Jr., Conn. Mutual, Pittsburgh; H. R. Brewster, New England Mutual, Providence; N. G. Caputi, Fidelity Mutual, Providence; R. E. Castelo, Northwestern Mutual, Champaign, Ill.; H. M. Charlap, Sun Life of Canada, Philadelphia; J. A. Cohen, Reliance Life, Pittsburgh; W. F. Coe, Penn Mutual, Oshkosh, Wis.; E. L. Collins, New York Life, San Francisco; P. W. Cook, Mutual Benefit, Chicago; R. A. Davies, New York Life, San Francisco; Sol Elsen, Canada Life, Toronto; R. L. Emerson, Phoenix Mutual, Boston; Ben Epstein, Kansas City Life, Houston; Dick Evans, Mass. Mutual, Pasadena; Z. W. Finberg, Great West Life, St. Paul; K. C. Fitch, New York Life, Wichita; M. F. Foster, Security Life & Trust, Greensboro, N. C.; L. V. Freudberg, Mass. Mutual, Washington, D. C.; E. T. Golden, New York Life, San Francisco; C. K. Gordy, Fidelity Mutual, New Haven.

L. J. Grayson, Travelers, Washington, D. C.; Sadler Hayes, Penn Mutual, New York; W. N. Hiller, Penn Mutual, Chicago; E. A. Hyman, Mutual Life, Baltimore; O. P. Jacobsen, New England Mutual, New York; Bernard Jaffe, Penn Mutual, San Francisco; Nate Kaufman, Indianapolis Life, Shelbyville, Ind.; J. T. Kehoe, Jr., Southwestern, Dallas; E. T. Kirtz, Conn. Mutual, Cleveland; M. J. Koch, Northwestern Mutual, Cincinnati; F. E. Kramer, Ohio National, Erie, Pa.; Walter Larmore, Penn Mutual, Miami; Herman Lasker, Mutual Life, Eau Claire, Wis.; C. Laurent, Manufacturers Life, Toronto; F. D. Leete, Jr., Northwestern Mutual, Indianapolis; J. H. Lipscomb, New England Mutual, Jacksonville, Fla.; R. E. Loewenberg, Mass. Mutual, New York; E. T. Lothgren, Northwestern Mutual, Providence; H. A. McColl, New York Life, Colorado Springs; R. W. McDermott, Standard of Indiana, Indianapolis; J. N. McLean, Penn Mutual, Jackson, Miss.; A. E. McNeill, New England Mutual, Pasadena; David Marks, Jr., New England Mutual, New York; L.

(CONTINUED ON PAGE 27)

Employee Benefit Freeze Shows Little Sign of Thawing

WASHINGTON—The step-up formula recommended by his board to the director of economic stabilization permitting the employer who has not granted a fifth round pay increase to raise wages up to 10%, will have little effect on relieving the wage-freeze on new employee benefit plans. It is obvious that most workers will prefer to take the increases in cash pay. The three labor members of the stabilization board have opposed the formula and are seeking a greater voice in mobilization matters including more liberalization in granting wage and fringe benefit increases.

Meanwhile the wage stabilization board had before it a memorandum from American Life Convention and Life Insurance Assn. asking for clarification to assure employers with existing employee benefit programs that they can operate them within the spirit of the regulations. The group companies want the board to make it clear that a program under which an employer is providing specified benefits should be permitted to continue unchanged as to provisions even if the cost to the employer might vary from time to time by reason of changes in premium rates due to changes in age distribution, sex composition, frequency of claims and average severity of loss.

Ask No Reductions

The companies want it made clear that an employer who has agreed to pay certain amounts toward the cost of an employee benefit program, whether in terms of cents per hour, percentage of payroll, unit of production or other measurement would be permitted to continue on that basis.

The companies seek stipulation that employee contribution rates would not be reduced or eliminated while the program is continued except upon specific approval of the wage stabilization board.

The companies are concerned with questions that might arise under the letter of the law in connection with programs which provide that benefits will be extended to new employees either when hired or at the end of a probationary period of service. This also applies to provisions that benefits or amounts of insurance will vary according to length of service, job level or wage rate and that employer cost will vary with changing insurance premiums, claim frequencies and other factors.

Allyn Pleads for Budget Cut Restoration

HARTFORD—Commissioner Allyn is seeking restoration of a \$58,000 cut made by the legislative appropriations committees in the \$613,000 budget requested by his department.

Committee leaders had taken the action after expressing concern over the method of payment to department examiners checking the books of foreign insurers.

Mr. Allyn explained that the salary of the examiner is paid by the foreign insurer and the salary paid by the state is suspended when this occurs.

What disturbed some committeemen was that while the examiner receives his pay directly from the insurer, after approval by the department, the state continues to be responsible for its share of the examiner's retirement payments during the period.

Two committeemen asked whether it wouldn't be better if the state continued to pay the salaries of the examiners and then was directly reimbursed by the insurers.

Urging restoration of the budget cut, Mr. Allyn said the department is han-

dling twice the business it did in 1938, and with three fewer workers. The department, he said, takes in more than \$5½ million a year and spends less than 5% of it.

The department, he said, is in severe need of two additional examiners and two additional valuation clerks. Vacancies in the offices of deputy commissioner and executive secretary should also be filled. There are now 57 in the department, fewer than there were in 1938, when only \$3 million was being collected.

Ky. Now Has Own Corps to Conduct Examinations

The Kentucky insurance department is now conducting company examinations by its own full-time staff rather than by farming out this work. This is in accordance with the 1950 insurance code. Chief examiner is C. M. Quirey, Jr.; senior examiner is Miss Helen Sugg, and actuary is Howard Hill.

Mr. Quirey and Miss Sugg have been with accounting firms and Mr. Hill

who has been with the department since last June, graduated in actuarial science at Drake university.

Discuss Agent's First Year

An agent's first year in life insurance was the topic at a meeting of Life Supervisors Assn. of Hartford.

Taking part were General Agents Kenneth Perry, Massachusetts Mutual; Harold Smyth, National Life, and John Barker, Mutual Life. The panel was led by Bryce McEuen of L.I.A.M.A.



"Always keep your guard up, Son!"

It seems as if it's never too soon to start teaching Junior how to protect himself. But when you get right down to it, the main job of "protecting" falls on *your* shoulders. And that's a job that calls for life insurance.

The only trouble is, a man's family and responsibilities have a knack of growing faster than his income. Which is not as much of a problem as it appears to be...not if you know about The Union Central policy called "Term-to-65."

"Term-to-65" was designed especially to fit the needs of a family growing on a budget. It is low pre-

mium insurance that adapts to the economic cycle of a man's life. In other words, "Term-to-65" costs so little that it enables you to buy the greatest amount of protection when your family needs it most. Then, as your income increases and you begin to consider an Ordinary Life Policy, an Endowment Policy or a Retirement Income Policy, "Term-to-65" makes it possible for you to convert to any of these, or other forms of permanent life insurance any time up to age 55.

And you can convert from "Term-to-65" to any other form of permanent life insurance *without a further physical examination.*

"Term-to-65" gives you maximum protection now and insures your insurability in the future. It is flexible life insurance, adaptable to your needs and your circumstances.

• • • • •

The Union Central agent has a plan to meet every life insurance need. He has contracts ranging from Non-Convertible Term, the lowest premium policy of all, to Single Premium Endowment, the highest. Through these modern, liberal policies, he can provide the finest possible life insurance coverage for applicants from birth to age 65, inclusive.

The Union Central Life Insurance Company

CINCINNATI, OHIO



The soundness, integrity and strength that has brought The Berkshire to its 100th Year will continue to guide us in developing better and better plans for assisting our policyholders in accomplishing their important purposes through insurance.

In addition to the complete line of modern **LIFE** policies The Berkshire now offers very attractive **ACCIDENT & HEALTH** coverages.

**100th
YEAR**

B

LIFE, ANNUITIES, ACCIDENT & HEALTH AND HOSPITALIZATION

BANKERS MUTUAL LIFE INSURANCE COMPANY

INCORPORATED IN NEW YORK

WHY

You should investigate the Opportunity we have to offer—

The finest Agent's Contracts available today — We dare comparison. You write your own ticket — It's incentive all the way. You can, as an Agent, make the Top General Agent's Commission with Lifetime renewals — Persistency Bonus that means real money to you. Free vacation with all expenses paid — etc.

It's new—Investigate—Compare—then make your decision.

Here's an Illustration of one of our policies—the

JUVENILE ESTATE AT AGE 60

A real leader in the JUVENILE field

Age 0 Annual Premium \$45.40

SCHEDULE OF INCREASING DEATH BENEFIT

	Six Months to Policy Anniversary nearest Age 21	Thereafter
1st Six Months	\$250.00	\$1,000.00
		\$4,000.00

MATURES for \$4,000.00 plus \$1,397.14 accumulated dividends based on Company's present dividend scale.

Interested? Write for details. Territory available in Illinois, Michigan and Missouri

CHARLES H. DAVIS
Superintendent of Agencies

Bankers Mutual Life Insurance Company

G. C. French,
President

HOME OFFICE FREEPORT, ILLINOIS

An old line mutual legal reserve company



Senate Committee on Health Seeking Still Further Data

WASHINGTON — The subcommittee on health of the Senate committee on labor and welfare, which is making a survey of voluntary health insurance, medical and surgical care and hospitalization, will present to the full committee by March 1 the detailed report giving a comprehensive picture of insurance companies' operations in the health insurance field, which was submitted to it by Health Insurance Council. However, that "will not be the last word on the subject," according to Dean Clark, chief of the subcommittee's staff.

Mr. Clark reviewed the progress made so far at a conference with company and organization representatives, with especial reference to the Health Council report. Those in attendance included Morris Pike, John Hancock Mutual Life, an adviser on the subcommittee staff; John H. Miller, Monarch Life, who appeared for U. S. Chamber of Commerce as chairman of its special survey committee, as well as Health Insurance Council; Eugene Thoré and Ben Kendrick, Life Insurance Assn. of America; Frank Lang, Assn. of Casualty & Surety Companies; C. C. Fraizer, H. & A. Underwriters Conference; J. F. Follmann, Jr., Bureau of A. & H. Underwriters; George Davis of L.I.A., and A. L. Kirkpatrick, manager U. S. Chamber insurance department.

Also Melvin L. Dollar, Group Health Assn.; George H. Davis and Morton D. Miller, Life Insurance Assn. of America; Kenneth Williamson, Health Information Foundation; E. A. Van Steenwyk, Philadelphia, and Richard Jones, Chicago, Blue Cross; Frank E. Smith, Blue Shield.

Results So Far Summarized

Mr. Clark said data was lacking or incomplete in a number of fields, but, on the other hand, "considerable" or "pretty good" as regards (1) the economic status of medical care insured; (2) benefits and who gets different types; (3) premiums and their distribution for various purposes and under different headings; (4) growth of plans.

However, the staff has not been able to make thorough analysis of the data collected, Mr. Clark said. Information obtained on the proportion of insurance costs paid by employers shows their contributions increasing.

He suggested some method of reporting more current information would be desirable. Taking into account duplications of coverage, he estimated there were probably between 64 million and 68 million persons covered Dec. 31, 1949. Dec. 31, 1950, figures, he suggested, indicated coverage may go up to 75 million.

Honor 30-Year Veterans

Six members of the home office staff of Manhattan Life, each with more than 30 years of service, were honored at a luncheon at New York, marking the introduction of the company's "30 Year Club."

Turner Mortgage Loan Chief

K. A. Turner has been elected manager of mortgage loans of Atlantic Life. A graduate of V. P. I. in 1929, he has been with the company 3½ years, all in the mortgage loan department.

He was district supervisor of the Department of Agriculture for 14 years and previously a teacher in Virginia.



K. A. Turner

Insurance Missing Chance to Educate in Public Schools

Life insurance information should be disseminated in the public schools of the nation to a far greater extent and the most formidable barrier to this is the natural reluctance of the business which encases its public relations, according to Don Layman, vice-president of Scholastic Magazines. Speaking at the Saratoga Springs management conference of the New York State Assn. of Life Underwriters, Mr. Layman said that a questionnaire he sent out to 250 junior and senior high school teachers selected at random from the circulation lists of his magazines, showed that there is very little about life insurance taught in the schools. Whereas most teachers would like to teach life insurance along with other economic facts of life, they are handicapped in doing so because the life insurance business furnishes them little help in this direction, the survey indicated.

Mr. Layman commented, "The high schools are not doing enough right now in the way of economic education. It is estimated that today only 7% of our high school students take one semester of economics. Economics is an elected subject in the upper grades in most high schools. For the most part, it is watered-down, abstruse, dull treatment of the subject. That is one reason why many Americans are economic illiterates, apt to be swayed by any wind of doctrine which happens to come their way."

The speaker remarked that business men complain that there is little in the textbooks about American industry and that little is mostly unsympathetic. If this is true, the business men have only themselves to blame, he stated. Business has been rather shy about telling its story to the schools. It fumbles the ball pretty badly in this field, whereas it develops a surer touch in its public relations program in other fields, he declared.

Few Go Beyond High School

Comparatively few American students go on beyond high school and many of them drop out before they finish high school, he said, and in the brief school period the contact of business with the great bulk of the school population is extremely tenuous. Business loses in the schools for all time the one chance to integrate its own story for future citizens and policyholders. Such a system gives ignorance and prejudice a head start and makes infinitely more difficult the problem of reaching people when they get older.

Mr. Layman commented that the life insurance business hasn't yet come to grips with the same public relations problems which has thrown many of the biggest industries for a loss, but it is about time for this to happen. He said he was not saying that the insurance business would be thrown for a loss, but it will have to devote much more time to public relations.

Mr. Layman commented that millions of young people who are pre-sold on life insurance and who would buy it at age 21 or 22 instead of at age 29 or 30 or more would be well worth cultivating as good-will agents for the institution of life insurance. "I like to think that there is enough ability and enough progressive thinking in the industry to make the policyholders of the future a permanent objective of your sales and public relations programs," he concluded.

Gwaltney Still Superintendent

H. A. Longshore, who was recently named Alabama director of commerce, will not act as superintendent of insurance, although the insurance department is under his general supervision. L. L. Gwaltney, Jr., continues as superintendent of insurance.

Small Companies Parley to Review Department's Work

Nine executives will participate in the symposium, "Blueprint for Today's Operations," at the opening session of the Life Insurance Agency Management Assn.'s small companies conference March 19-21 at Edgewater Beach Hotel, Chicago.

E. A. Frerichs, agency vice-president of Security Mutual of Nebraska, chairman of the small companies committee, will open the symposium. S. J. Hay, president of Great National, will present the company president's viewpoint. David W. Gordon, financial vice-president of Monarch of Massachusetts, will discuss the role of the investment officer. The responsibilities of the legal counsel will be reviewed by Ralph H. Kastner, associate general counsel of American Life Convention.

W. Darrell Laird, actuary of Monarch of Canada, will tell how an actuary's work affects all other departments. The home office underwriter will be represented by Walter K. Fritz, secretary of Capitol Life. Robert W. Edick, secretary of Provident of North Dakota, will explain the secretary's contribution.

How the L.I.A.M.A. cooperates with a company will be pointed out by Lewis W. S. Chapman, its director of company relations. In conclusion, Edward R. Hodgkins, vice-president and manager of agencies of Paul Revere, will examine the agency department in the light of its dependence on all other departments and its influence on all company operations.

The fellowship dinner is set for Monday evening. Tuesday will be devoted principally to open discussion in two groups, by companies under and over \$100 million ordinary in force.

On Wednesday, summaries of the discussions will be given, along with addresses by Harry S. McConachie, vice-president and superintendent of agents of American Mutual, a director of L.I.A.M.A., and Charles J. Zimmerman, its associate managing director.

LOMA Group Slates Bender

Dr. James F. Bender, director of National Institute of Human Relations, will speak before the Society of L.O.M.A. Graduates Feb. 27 at New York.

He will discuss human relations in executive leadership and techniques for development of executive ability. Special attention will be given to problems of personnel morale under the jittery conditions today.

Advances Bell. Clinton

W. Douglas Bell and Clinton A. Reynolds have been named assistant counsel of Paul Revere Life.

Mr. Bell joined the company in 1949, after having served as chief inspector



W. D. Bell



C. A. Reynolds

for Hooper-Holmes at Des Moines. A navy veteran, he graduated at Drake University law school.

Mr. Reynolds, a Harvard law school graduate, after spending a year as law clerk to a Massachusetts supreme court justice, joined the legal staff of the company. He is an air force veteran.

Announce Program for N.A.I.C. Zone 5 Meeting

The program for the zone 5 meeting of National Assn. of Insurance Commissioners at Denver Feb. 27-28 has been announced by the convention chairman, Melvin Snyder, counsel of the Colorado department.

The rating staffs of the insurance departments involved will hold a separate session on Feb. 26 to discuss rating problems.

Robert H. Rydman, attorney for the Nebraska department, will discuss "Standards for Disapproval of A. & H. Policies Because of Low Loss Ratios."

An official of the Federal Reserve Bank of Kansas City will discuss "Examination of Insurance Companies in Relation to Regulation X." There will also be an address on "Multiple Line Underwriting Powers for Life Insurance Companies."

A cocktail party will be held the evening of Feb. 27, followed by an all-industry banquet, at which Governor

Thornton of Colorado will be the principal speaker. S. A. Riesenman, Security Life & Accident, of Denver, deputy general convention chairman, is in charge of entertainment arrangements.

Butler Starts Second Term

George B. Butler, Texas life commissioner and chairman of the board, took the oath of office for his second six-year term at ceremonies attended by about 200 state officers and members of the legislature.

Complete

PROTECTION

TO OUR POLICYOWNERS AND FRIENDS:

It is a real pleasure to report another year of record gains for B.M.A. The figures below clearly indicate that our Company is "growing and growing" and justifies the slogan "Every year a record year."

Of particular interest to the public is the fact that during 1950 payments were made to 93,612 policyowners or beneficiaries for a total sum amounting to \$11,895,228.89. That means an average of over 400 benefit payments made during every working day of the year. It also means that those payments contributed much to the personal security and happiness of many thousands of families and individuals.

To our Home Office, Branch Office and Field associates, as well as to our more than 600,000 policyowners and dependents, all of whom have contributed to the constant growth of our Company, we express our sincere thanks and pledge our continuous effort that B.M.A. service shall be even better in the months and years ahead.

President

Chairman

Condensed Financial Statement

	December 31 1950	December 31 1949
ASSETS		
U. S. Government and Other Bonds.....	\$33,071,526.40	\$30,362,065.75
First Mortgage Loans.....	44,831,345.52	39,419,926.49
Preferred Stocks.....	1,469,026.00	1,516,188.00
Real Estate, Including Home Office Bldg.....	672,168.06	706,692.95
Cash in Banks.....	1,831,376.75	2,187,580.61
Loans to Policyowners.....	4,847,431.00	4,165,370.42
Interest and Rents Due and Accrued.....	526,560.88	476,805.24
Premiums in Course of Collection.....	2,450,715.52	2,243,459.58
TOTAL	\$89,700,150.13	\$81,078,089.04
RESERVES AND SURPLUS		
Reserve to Guarantee Policy Obligations.....	\$74,130,632.04	\$67,051,818.69
Reserve for Taxes.....	676,884.23	676,636.59
Reserve for Premiums and Interest		
Paid in Advance.....	3,789,347.54	3,991,008.46
Reserve for Miscellaneous Obligations.....	702,256.22	595,744.53
Special Fund for Strengthening Policy Reserves.....	3,350,000.00	2,750,000.00
Total	\$82,649,120.03	\$75,065,208.27
Surplus for Protection of Policyowners		
Capital Stock.....	\$4,000,000.00	
Unassigned Surplus.....	3,051,030.10	
Total	7,051,030.10	6,012,880.77
TOTAL	\$89,700,150.13	\$81,078,089.04

is GROWING
and GROWING
and GROWING
every year a record year

Year	Life Insurance in Force	Accident and Health Premium Income	Total Income	Assets	Surplus to Policyowners	Payments to Policyowners and Beneficiaries Same Organization
1909 \$	None \$	9,197.70 \$	9,211.05 \$	5,687.79 \$	\$2,479.29 \$	722.46
1919	None	1,213,336.39	1,234,325.45	654,673.66	340,686.71	2,302,315.23
1929	87,041,307.00	4,024,980.49	6,408,320.24	6,564,460.63	1,181,848.61	20,559,573.10
1939	121,240,431.00	1,976,250.96	6,512,010.38	19,839,703.62	1,808,948.92	45,187,833.42
1949	412,737,625.00	11,574,448.64	26,936,196.48	81,078,089.04	6,012,880.77	99,894,728.03
1950	471,443,758.00	12,453,427.71	28,896,495.53	89,700,150.13	7,051,030.10	112,060,696.00

Offices in 60 principal cities located in 34 states, the District of Columbia and Hawaii.

BUSINESS MEN'S ASSURANCE

COMPANY OF AMERICA

W. T. GRANT, Chairman
KANSAS CITY 10, MISSOURI
J. C. HIGDON, President

Policyholders' Dividends Again Increased by Sun Life of Canada

ANOTHER RECORD YEAR FOR LEADING
INTERNATIONAL LIFE COMPANY

Four hundred and forty-one million dollars of new life insurance was issued by the Sun Life Assurance Company of Canada in 1950, the largest amount written by any Canadian life company during the year, and over \$68 million (18.4%) more than the total for the preceding year. The volume of new insurance written during 1950 was greater than any of recent years and represents the substantial total of \$1,736,000 for each working day. George W. Bourke, President of the Sun Life, in releasing the 80th Annual Report announced a further increase in policyholders' dividends effective April 1, 1951, bringing the total amount payable this year to more than \$18 million.

Benefits at New High

The report reveals the strong position of the Company and the continuing expansion of its business and services. Total Sun Life insurance in force now amounts to \$4,462,000,000, or \$275 million (6.6%) more than a year ago. Group business now in force is \$1,085,000,000, an increase of 13.8%. Over \$98 million of new Group business was written in 1950 compared with \$62 million in 1949. Payments to Sun Life policyholders in 1950 amounted to \$121,476,000, a new high, bringing to \$2,361,860,000 total benefits paid since the Company's first policy was issued in 1871.

Distribution of Business

The international character of the Company's business is illustrated by the amount of insurance and annuities in force in the various countries where the Sun Life operates: United States 38%; Canada 41%; Great Britain 12%;

other countries 9%. More than 47% of the total assets of the Company are invested in the United States. The rate of interest earned on Sun Life assets in 1950 was 3.61% as against 3.48% in 1949 and 3.30% in 1948.

Mr. Bourke, in his review of the year, discussed the value of life insurance in the fight against inflation, and pointed out that life insurance premiums, while serving to provide protection for individuals and families, also add to savings which, in turn, benefit the nation as a whole through investments for essential purposes. The business of life insurance reflects the voluntary co-operation of the millions of men and women whose confidence and faith it enjoys. In return, the companies have established traditions of service and integrity which are outstanding in the annals of human endeavour.

Steps Against Inflation

Mr. Bourke offered five suggestions as important counter-moves against inflation: (1) Purchase only what is necessary. (2) Increase productivity by greater efficiency and maximum effort. (3) Finance defence and other necessary national expenditures on the pay-as-you-go principle. (4) Avoid wasteful government expenditures and duplication of service. (5) Increase personal savings.

A copy of the Sun Life's complete 1950 Annual Report to Policyholders, including the President's review of the year, may be obtained from any of the branch, group or mortgage offices of the Company in the United States, or from Sun Life of Canada, Transportation Building, Washington 6, D. C.

THE COUNTRY'S MOST FRIENDLY COMPANY OFFERS . . .

- Modern and attractive agent's and general agent's contracts to those looking for a permanent connection.
- Complete line of Life Insurance policy contracts from birth to age 65 with full death benefit from age 0 on juvenile policy contracts.
- Complete line of Accident and Health policy contracts with lifetime benefits.
- Individual Family Hospitalization contracts with surgical, medical and nurse benefits.
- Complete substandard facilities.
- Educational program for fieldman.

Strong, Progressive Company

Older than 85% of all legal reserve life insurance companies

COMPANY'S EXPANSION PROGRAM OFFERS

Openings in California, Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, New Jersey, North Dakota, Ohio and Wisconsin

NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO

C. G. ASHBROOK, EXECUTIVE VICE PRESIDENT
NORTH AMERICAN BUILDING, CHICAGO 3, ILLINOIS

Mutual Life Letter Explains Serviceman's Insurance Rights

Mutual Life has prepared a special letter for its policyholders who are in or about to join the armed forces telling them how to keep their life insurance in force while they are away. It explains the rights and privileges of policyholders in connection with their life insurance and methods of premium payment. It stresses that older policies contain favorable provisions no longer available in policies now being issued. Because of the added risks of service in the armed forces these policies take on added value and importance, the letter points out, urging policyholders in their own and their beneficiaries' interest, to keep present insurance in force.

The folder describes five different arrangements that can be used to keep insurance in force and suggests that additional details can be obtained from the company's agents or its policyholders' service division.

The first method is through government allotment of pay. The letter suggests that an application be made to the commanding officer, who will provide the necessary forms. It recommends that the policyholder in adopting the monthly plan be sure that any premiums due within 90 days of the application are paid because it may take that long to make the plan effective.

Relief Act Provisions

The current regulations on payment of premiums on life insurance in private companies up to a face value of \$10,000 under the soldiers and sailors civil relief act are also explained. The amount guaranteed by the government becomes an interest-bearing debt and within two years after completing military service, the veteran will be required to make a settlement. This guarantee does not apply to policies containing war clauses, nor where the first regular premium on a policy was paid less than 30 days before entering service. Nor will the government guarantee any premiums for special benefit provisions, such as double

indemnity or disability, if the company's liability is limited or restricted by military service.

Applications may be made by the serviceman or by anyone he designates in writing. If he is now outside the continental United States (which does not include Alaska and the Panama Canal Zone) the beneficiary may make application without specific authorization. Application forms can be obtained from the commanding officer or from the veterans administration on form 380.

Family Payment

The letter points out that the policyholder also can make arrangements with a member of his family to pay the premiums while he is away. Upon receiving a letter of instruction from the policyholder, the company will send the premium notices to any such individual designated by the policyholder.

For the advance premium payment method the company will grant a discount of 1½% per annum on premiums paid six months or more in advance of their due date, provided at least one annual premium is paid in advance.

Finally, an automatic premium loan can be used if the cash value in the policy makes it possible.

The letter suggests that it might be wise for the policyholder to review his program now to make certain that it is accomplishing all of the things that he wants it to do. "Leave your policies where they will be accessible to your beneficiary or some other member of your family, in case questions regarding your policies arise during your absence," it cautions.

The letter concludes by urging the policyholder to study the suggestions carefully and select the one that suits him best. The policyholder is again asked to communicate with his agent or with the policyholders' service division for further help if needed.

Fla. Offers New Idea in Funds

The proposed Florida insurance code includes a \$3 million fund for the protection of policyholders of all companies against insolvencies to be built up by a .25% gross premium tax. The money would be held in trust by the commissioner. The tax would be imposed until the \$3 million is built, then discontinued, being reimposed when necessary to maintain its strength.

From the fund the commissioner will reimburse policyholders who lose through insurer insolvencies being subrogated to their recovery rights against the company or its receiver. He will then remit his recoveries to the fund.

Gov't Claims Proceeds of Policies to Cover Back Income Tax of Assured

The federal government has brought suit in Connecticut asking that proceeds of three policies be declared a trust fund for the payment of back income taxes due from the beneficiary's brother.

At his death in 1944 Leighton Forbes left an estate of only \$109, but it is stated he had taken out 23 policies valued at \$227,832. The government is seeking to recover \$26,211, the amount received by Thomas Forbes as beneficiary of three policies left him by his brother.

Barrus Out as Wyo. Commissioner

Rodney Barrus, insurance commissioner for Wyoming, has resigned that post. Probable successor will be Ford Taft, local agent from Sheridan.

CIO Man Urges Heavier Tax on Life Companies

WASHINGTON — Estimating that \$4.5 to \$5 billions additional revenue could be raised by plugging tax law loopholes, Stanley H. Ruttenberg, representing CIO, recommended to the House ways and means committee that some of that amount be obtained from life insurance companies.

He urged that "serious consideration" be given to the "enactment of provisions which would keep life insurance companies from enjoying unjustified special treatment."

He admitted this is an "extremely involved and complicated problem," which, however, he said, "if properly tackled could produce additional revenues."

Ruttenberg also advocated revision of estate and gift tax laws along lines suggested by the Treasury, some of which concern annuities, pensions and related matters.

Robert E. Wilson has been named district manager at Savannah, Ga., for Reserve Life of Texas. Mr. Wilson, whose territory covers 27 counties in southeast Georgia, formerly was in the real estate business at Savannah. He is an air force veteran.

Feature Day at Ill. Federation Luncheon March 19

J. Edward Day, director of insurance in Illinois, will be the featured speaker at the annual luncheon meeting of Insurance Federation of Illinois at the Palmer House, Chicago, March 19. Mr. Day's appearance will be especially attended because of the fact that the Illinois legislature is now in full swing. It is anticipated that a number of prominent members of the legislature will be present at the meeting. Arrangements are being handled by Chase M. Smith, vice-president and general counsel of the Kemper companies, who is vice-president of the federation. He is serving as the chairman of the committee on arrangements.

John A. Henry, general attorney of Continental Casualty and Continental Assurance, president of the federation, is now back on the job on a full schedule after having been off with a siege of illness.

This is always one of the big insurance events of the year in Illinois and it is especially emphasized during the year that the Illinois legislature is in session. On some occasions the meeting has run on into the afternoon and the notice this year emphasizes that it will be all over at 2 p. m.

Schwinger to Cedar Rapids

Effective March 1, Northwestern Mutual Life has appointed Lowell P. Schwinger general agent at Cedar Rapids. He has been district agent at Waterloo. He succeeds the late Roswell H. Pickford.

Mr. Schwinger joined the company at Waterloo in 1933. In personal production he has led the state since 1937. He is a member of the Million Dollar Round Table and a past president of the Waterloo Life Underwriters Assn. He is also one of the founders of the Iowa State Quarter Million Club.

Kenneth Bragdon, Mr. Schwinger's partner in the Waterloo district agency, continues as sole district agent.

Honor State Farm Leaders

Top flight State Farm agents in Illinois were honored at a dinner at Bloomington when 85 agents and their wives were lauded for their accomplishments in 1950.

Frank Figg of Bloomington qualified for the Million Dollar Round Table by his life production and also met all his quotas of auto and fire insurance.

Howard Rosensteel of Bloomington was acclaimed by Chairman G. J. Mecherle as the champion "balanced producer" of the entire agency force. He qualified for the Illinois Quarter Million Dollar Round Table, of which he is now a life member, and also far exceeded his auto and fire quotas.

A. J. Buescher of New Athens is another life member of the Illinois Round Table who exceeded his multiple line quotas. Paul Anderson of Bloomington in his first year also qualified for the Illinois Round Table.

Thirty-nine agents qualified for the App-a-Day Club, which the companies believe is the only multiple line App-a-Day club in existence.

Schwab, Kaufman Are Leaders

Julian W. Schwab, Indianapolis, and Nate Kaufman, Shelbyville, Ind., were Indianapolis Life's leaders in 1950, both in gross volume and in paid premiums. Life and qualifying members of the Million Dollar Round Table, each had his largest personal production last year.

Parkinson Raps "Certain Tax-Hungry Elements"

President Thomas I. Parkinson, of Equitable Society, addressing the company's annual board meeting, took a crack at "certain tax-hungry elements of the government." He charged public officers, especially tax authorities, with instigating policies which, if allowed to go unopposed, would interfere with the sufficiency of policy reserves and impair the ability of companies to perform

obligations to policyholders and their beneficiaries.

As a prime example of such unreasonable tax demands, Mr. Parkinson cited the recently defeated proposal for a retroactive tax levy on life companies for the years 1947-48. He pointed out that if that proposal had been adopted, Equitable's federal tax would have been boosted by another \$5 million. He said that the thanks of the life companies and their policyholders, as well as taxpayers generally, are due the senate finance committee.

Stone Warns of "Analysts"

Nebraskans have been warned by Insurance Director Stone to be on the lookout for so-called "insurance policy analysts," who offer to analyze insurance policies for a fee and tell whether they are "sound." The analysts also offer to "get your money back" on "unsound policies" for a percentage of the money involved.

Circulars offering to analyze policies have been distributed quite extensively over the state, Mr. Stone said.

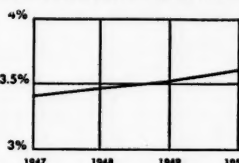
Over a Million Dollars a Week in Benefits

Last year The Connecticut Mutual paid out to policyowners and their beneficiaries \$63,768,406 — over a million dollars a week. To help visualize what a huge sum of money this is, it would make a *pile of ten-dollar bills more than one-third of a mile high* — 28 times the height of The Connecticut Mutual's Home Office building. Of this amount \$15,008,148 was paid in death claims. Matured endowments, annuity payments and surrender and disability benefits paid to policyowners amounted to \$20,446,347. \$11,333,404 was paid in dividends to policyowners. \$16,980,507 was paid to policyowners and beneficiaries from proceeds of policies and funds previously left with the company.

HIGHLIGHTS FROM THE 105TH ANNUAL REPORT

Benefits to Policyowners and Beneficiaries	\$ 63,768,406 . . . up	\$ 7,157,637 over 1949
Total Assets	837,199,422 . . . up	55,455,039 over 1949
New Life Insurance	241,635,977 . . . up	30,555,879 over 1949
Life Insurance in Force	2,111,696,076 . . . up	151,680,203 over 1949
Gain in Insurance in Force	151,680,203 . . . up	23,228,440 over 1949

SOUND INVESTMENTS—GOOD EARNINGS



Earnings on investments are an important factor in keeping down the cost of insurance. During 1950 the Company earned 3.64% net return on its investments (compared with 3.55% in 1949).

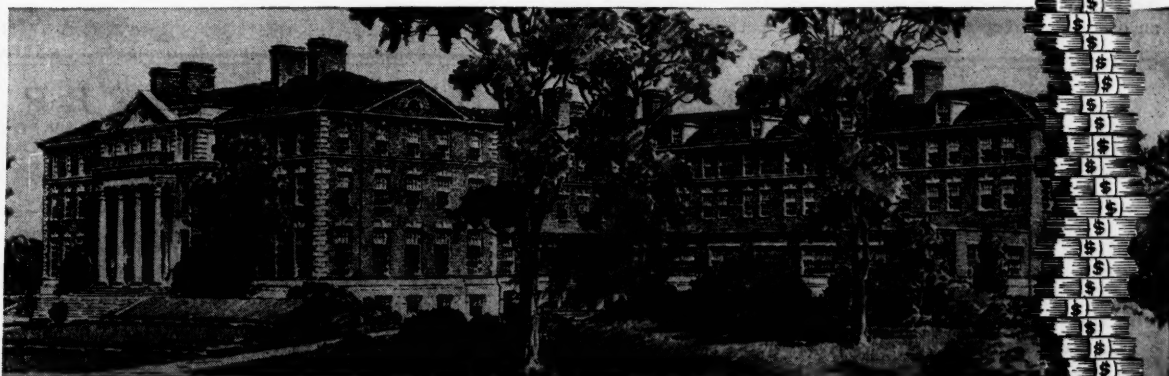
DIVIDENDS TO POLICYOWNERS



The Company has increased dividends four times since 1943 and the amount set aside for dividends in 1951 is \$12,180,000. This is an increase of 34% over what the dividends would have amounted to if the 1943 scale were used in 1951.



The CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY • HARTFORD



EDITORIAL COMMENT

Catastrophe Claims Should Be Publicized

Only on events like the tragic Woodbridge, N. J., rail disaster has the life business an opportunity to tell of the spectacular aspects of the public service it performs and it is regrettable to see it neglect to do so and lose the public recognition it so well merits for what it does at such times.

The payments made as the result of catastrophes are perhaps insignificant compared to the millions of dollars that flow daily to beneficiaries from normal policy maturities. But these catastrophes draw public attention and life companies should show they're in there pitching in time of crisis. In the public mind the life business exists to pay claims and the public ought to know that it is doing its job.

Fire insurers regularly tell their story on property damage catastrophes and life companies might well emulate them. There probably is no need for a monthly set of claim payment figures as released by the fire business, although some might ask why the fire insurers stress losses while life companies emphasize sales. Leaving that potential dispute for another time, there is an attraction to a plan whereby life companies on an industrywide basis would quickly calculate their losses from a catastrophe and disseminate a claim estimate from a central source.

An incomplete check of companies after the recent disaster showed imme-

diate claims in excess of \$500,000, with estimates that the total would be at least six or eight times greater. Many of the early claims were approved for payment in a matter of hours after the companies learned of the deaths of their policyholders. Such a story ought not wait until next year's annual statements. There may be tax and other complications in some cases but that problem is not insoluble. Neither would an overall story interfere with publicity for individual company totals of outstanding size.

Fortunately these catastrophes do not happen very often but when they have, as at Texas City, Centralia, Ill., Perth Amboy, and in the two 1950 Long Island railroad wrecks, they are accompanied by such vast public interest that the part of life insurance should not be ignored.

The social security board's Oscar R. Ewing was not unaware of the newsworthiness of the benefit totals that would accrue to dependent survivors of the Woodbridge disaster and in 10 days estimated that the board would be paying \$1,160,000. His announcement received nationwide coverage in press and radio. No one begrudges the board a good story. It is regrettable, however, that the life insurance business, with an equal or better story, was asleep at the switch in publicizing the magnitude of the payments it made as a result of the rail disaster.

Labor Strategy and Fringe Benefits

Fringe benefits are still lumped in with cash wage increases in the "catch-up" wage increase, now raised to 10%, allowed by the wage stabilization board but there are reasons for believing that the strategy will eventually work out to the benefit of insurers writing these benefits.

The big drawback, from an insurance standpoint, about a catch-up allowance that includes fringe benefits is that inevitably, in virtually every situation, labor will choose to take its increase in money rather than in insurance benefits.

Labor's original position was that it wanted 12% plus fringe benefits. It is only natural that it should do its first and hardest battling for cash wage increases to help offset the increased cost of living. It is also a natural strategy for the wage stabilization board to set an over-all percentage limit that will in-

clude fringe benefits along with cash wages. This places the board in a position to make a concession later by giving separate consideration to fringe benefits later on.

When the forces of organized labor are convinced that they have pushed the catch-up percentage to the last possible notch they can be expected to start the campaign for fringe benefits. But to worry too much about fringe benefits at this point would be poor generalship.

If the labor leaders are convinced that the wage stabilization board is going to stand firm on a 10% catch-up that includes fringe benefits, the labor leaders are in a good position for their next move. They can say in effect: "You know as well as we do that this 10% is all going into cash pay and not into these other benefits. So it isn't curing inflation any to include the fringe

benefits in the catch-up percentage. Since these extra benefits are non-inflationary, why not give them separate consideration apart from the catch-up percentage?"

Labor will have a powerful argument, for the proceeds of fringe benefits are obviously not going to be spent in any way that contributes materially to inflation. Unless the defense situation gets a lot more critical than anybody thinks, it is going to be pretty hard to argue that a man who is sick or injured should have to stall off the hospital, doctor, landlord, grocer and fuel dealer because the government feels it would be inflationary to let him have insurance to cover such expenditures.

Obviously, this is going to be a difficult battle to fight without labor's aggressive participation. Employers should be taking the lead but it is pretty clear that they are not going to do much about it. What the insurance companies can do is limited. Agents' organizations

could, in theory, do a good deal but only a small percentage of the agents are interested in this class of business.

Incidentally, the current difficulty in getting separate consideration for fringe benefits can in some measure be attributed to the insurers themselves. There has been some tendency, especially since the Inland Steel decision, to put fringe benefits on all fours with cash wages. This gave added prestige to fringe benefits but now insurance would be better pleased to see this aspect softened. Nevertheless, there are important differences between these benefits and cash wages. We feel confident that once labor is convinced that it has got all it can in the way of cash wage increase, it will campaign, with the same vigor, for fringe benefits and with equal success. A windfall from this campaigning may well be to give the employers and employees alike a better appreciation of the value of these incidental benefits.

PERSONAL SIDE OF THE BUSINESS

Dudley Miller, agent for Mutual Life at Chicago, narrowly escaped with his life recently when a yacht he and eight others had boarded burst into flame while being fueled at the dock of Bahia Mar Yacht club at Fort Lauderdale, Fla. All jumped into the water. The yacht was destroyed.

George H. Redford, purchasing agent of Connecticut Mutual, has just observed his 25th anniversary with the company. He is president of Assn. of Insurance Company Buyers and has been with Connecticut Mutual since 1940, having advanced to purchasing agent a year ago.

Laurence J. Ackerman, dean of the school of business administration of University of Connecticut, and **Benjamin L. Holland**, president of Phoenix Mutual Life, have been elected directors of National Fire Ins. Co.

G. Dewey Hynes, vice-president in charge of real estate, Equitable Society, has been elected a director of First National Bank & Trust Co., Montclair, N. J. Mr. Hynes was with the bank from 1931 until his resignation as vice-president in 1945.

Jacob Pitsenbarger, district agent of Ohio State Life at Versailles, O., and Mrs. Pitsenbarger celebrated their 56th wedding anniversary Feb. 21.

William R. Davis, III, director of ordinary agencies of Commonwealth Life, has sufficiently recovered from a recent illness to spend a few hours each morning at his office.

Eight members of the family of **Richard S. Rust**, vice-president and secretary of Union Central, have served the company for a total of 155 years. Mr. Rust has been with the company 38 years. R. S. Rust, his grandfather, was one of the founders in 1867 and served 39 years until 1906. Charles H. Rust served 16 years from 1895 to 1911; R. H. Rust, 11 years from 1896 to 1911;

R. Frederick Rust 33 years, from 1895 to 1928; Richard S. Rust, III, a son of Mr. Rust, first assistant secretary, who has 11 years service; James G. Rust, a second son, who has four years service, and R. Hubbard Rust, from 1933 to 1936.

Roger Hull, executive vice-president of Mutual Life, and **Frank Bettger**, agent of Fidelity Mutual Life, Philadelphia, are authors of stories in a compilation of 60 sales stories by 60 salesmen entitled "How I Made the Sale That Did the Most for Me." The book is published by Prentice-Hall.

Paul F. Clark, president of John Hancock, has been elected a director of Armour & Co.

N. E. Mutual Group Program

New England Mutual established a group life, medical and hospital insurance program for general agents, agents and agency employees. It is on a cooperative basis, general agents and the company sharing the cost with the insured agent or employee.

Life insurance of from \$3,000 to \$10,000 will be available to eligible full-time agents, depending on the agent's yearly production. Supervisors, cashiers and clerks are also covered for liberal amounts.

In-hospital medical expense, hospital, surgical, diagnostic laboratory and x-ray coverage is available to all agency members and their eligible dependents.

Sacramento Course Announced

Sacramento city unified school district will sponsor a special course in life and A. & H. to be conducted by the adult education center. Instructor for the six-meeting course is Francis Cook, manager at Sacramento for West Coast Life.

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OBSERVATIONS

Few Absences Due to Rail Strike

While many offices in New York City during the rail strike were half depleted of personnel, life insurance home offices and agencies were staffed in remarkably high proportion. Many life people live in the Westchester-Connecticut area, which was hardest hit by the strike.

Many joined in car pools and parked in northern areas of the city, taking the subway the rest of the way. Others went in by bus and went to hotel rooms at the end of the day.

The net result; virtually no time or business was lost by the life companies because of the strike.

Korean Claims Showing Up

A number of companies in news releases accompanying their annual statements have included figures on death claims paid on service men in the Korean fighting. It seems that virtually every company has had a few of these claims. The figures are relatively small, but they do have a significance and augury for the future. It is very obvious that in each case the death of the fine young man was an event for which there was little probability.

Group Men Unofficially Unbusy

The freeze on employee benefit activities may not officially be slowing down the work of group men, but in actuality this is what it is by this time beginning to do. A recent tour of group offices which are usually very busy disclosed three men chewing the fat about the Korean war; in another the gentlemen were busy hunting an apartment for one of their acquaintances, and in a third the relative merits of several types of TV sets was occupying the attention of a pair of specialists.

Making Statements Clear

There were several companies this year which in the highlights from their annual statements which they distributed to the public adopted the practice of printing in smaller type underneath the figures given the corresponding figures for the year before. This gives a fairer indication of growth of a company than where comparative figures are not given. At least two of the companies printed figures for 1949 in colored ink as well as smaller type under the 1950 figures. Such a device might not be advisable in a weak year, but for 1950 it was impressive.

One of the companies on its informal

annual statement sheet drew lines to the margin from each of the figures presented and explained in the marginal notes what the insurance accounting terms mean. The notes were even informative to men in the business.

Fewer Managerial Replacements

Lush pickings for aggressive producers and the potential difficulties in recruiting in the face of the defense situation seems to have caused a shortage in the supply of new general agents and managers. Some of the companies have vacant managerial spots open and are having considerable difficulty in filling them. Where a likely candidate for the post of agency head is a personal producer, frequently these days he is more interested in the laissez-faire existence he leads as a salesman. He is not willing to trade this for the baton of a manager or general agent and for the heavy chores that fall on the lot of the agency head.

DEATHS

ROBERT G. SMITH, 55, sales manager of Columbus Mutual Life, died at Columbus after a long illness. He was a brother of Paul M. Smith, associate general agent of New England Mutual at Columbus.

JOHN H. WILSON, 55, with Metropolitan Life of Philadelphia for 30 years and recently manager of the League Island district, died there after a long illness.

RUDOLPH J. PICKARD, associate general agent of the Halsey D. Josephson Agency of Connecticut Mutual in New York City, died. He had been in the brokerage business in that area for 20 years, the first eight of which he was office manager and supervisor of the McMillen agency of Northwestern Mutual. For 12 years he had been in charge of brokerage operations at the Josephson agency.

W. C. STAMPER, 67, a member of the Oklahoma agency of Bankers Life of Iowa for more than 31 years, died at Duncan, Okla. He retired two years ago.

HERBERT W. POST, 76, who retired 10 years ago as an agent for Mutual Life, died at his home in East Orange, N. J.

WILLIAM D. SAGE, 77, an assistant superintendent for Prudential, until his retirement in 1938 after 35 years service, died at Yonkers, N. Y.

MRS. MARGOT M. DAVIS, 33, wife of Albert H. Davis, a supervisor in group administrations for Metropolitan Life, died of injuries suffered in an automobile accident. Mr. Davis is hospitalized with a broken knee.

Convention Dates

Feb. 26-28, N.A.I.C. zone 5 meeting, Cosmopolitan hotel, Denver.

March 19-20, Eastern Round Table meeting of Life Insurance Advertisers Assn., Lexington hotel, New York City.

March 19-21, L.I.A.M.A. small companies spring conference, Edgewater Beach hotel, Chicago.

March 29-30, Society of Actuaries, eastern spring meeting, Hotel Commodore, New York City.

March 29-30, N.A.I.C. zone 4 meeting, Hotel Savary, Des Moines.

April 2-5, N.A.I.C. blanks committee, Commodore Hotel, New York.

April 3-7, National Assn. of Life Underwriters, midyear, Hotel Radisson, Minneapolis.

April 9-10, L.I.A.M.A. A. & H. spring seminar, Drake hotel, Chicago.

April 9-11, Home Office Life Underwriters Assn., annual, Greenbrier hotel, White Sulphur Springs, W. Va.

April 10-11, N.A.I.C. zone 3 meeting, Roosevelt hotel, New Orleans.

April 24-25, American Life Convention regional meeting, Tutwiler hotel, Birmingham.

April 26-27, North Central Round Table of Life Insurance Advertisers Assn., Elms hotel, Excelsior Springs, Mo.

April 29-May 2, N.A.I.C. zone 2 meeting, Francis Marion hotel, Charleston, S. C.

April 30-May 2, U. S. Chamber of Commerce annual meeting, Washington, D. C.

May 1-2, American Life Convention regional meeting, Hotel Radisson, Minneapolis.

May 7-8, L.I.A.M.A. large companies' conference, Skytop Lodge, Skytop, Pa.

May 13-15, Southern Round Table meeting of Life Insurance Advertisers Assn., Biltmore hotel, Atlanta.

May 14-16, H. & A. Underwriters Conference, annual, Book-Cadillac hotel, Detroit.

May 14-16, Insurance Accounting & Statistical Assn., Palmer House, Chicago.

May 21-22, Assn. of Life Insurance Counsel, spring meeting, the Homestead, Hot Springs, Va.

May 21-22, Life Office Management Assn., spring conference, Mayflower hotel, Washington, D. C.

May 22-23, Society of Actuaries, western spring meeting, Cosmopolitan hotel, Denver.

May 24-25, Life Insurance Assn. of America, Hotel Cavalier, Virginia Beach, Va.

May 29-31, Canadian Life Insurance Officers Assn., annual, including life agency officers section, insurance advertising section, Royal Alexandra hotel, Winnipeg.

June 3-6, National Assn. of Insurance Commissioners, New Ocean House, Swampscott, Mass.

June 11-13, International Assn. of A. & H. Underwriters, Dallas.

June 14-16, Life Insurers Conference, Greenbrier hotel, White Sulphur Springs, W. Va.

June 18-20, L.I.A.M.A. combination companies spring conference, Greenbrier hotel, White Sulphur Springs, W. Va.

June 18-29, Life Officers Investment Seminar sponsored by the Financial Section of American Life Convention, Beloit College, Beloit, Wis.

June 25-27, American Life Convention, Medical Section, Broadmoor hotel, Colorado Springs.

Sept. 10-12, International Claim Assn. annual meeting, Monmouth hotel, Spring Lake, N. J.

Sept. 17-21, National Assn. of Life Underwriters, annual meeting, Biltmore hotel, Los Angeles.

Sept. 24-26, Life Office Management Assn., annual conference, Edgewater Beach hotel, Chicago.

Sept. 26-28, Society of Actuaries, Royal York hotel, Toronto.

Oct. 9-12, American Life Convention, annual meeting, including annual meetings of the Legal, Financial, Agency, and Combination Companies Sections, Royal York hotel, Toronto.

Nov. 12-16, L.I.A.M.A. annual meeting, Edgewater Beach hotel, Chicago.

Dec. 2-6, National Assn. of Insurance Commissioners, Hotel Commodore, New York City.

Cal. License Explanation

Guarantee Reserve Life of Hammond, Ind., states that the report as carried in the Feb. 8 edition, that this company had been denied admission to California, is incorrect. Although Guarantee Reserve did file an application for admission to California, that application was withdrawn, the management says, as the company had no present interest in seeking admission, particularly because the agency which had suggested that the company apply and was conducting all negotiations on its behalf, made another connection.

Guarantee Reserve, therefore, advised this agency that under the circumstances it had no interest in completing the requirements. Thereupon Guarantee Reserve received a letter from the California department stating they were assuming Guarantee Reserve had abandoned the application and was closing the file and "for the sake of the record the application is hereby denied." The department states that if Guarantee Reserve should desire again to apply for admittance it would be necessary that it refile the documents and the matter would be considered upon its merits.

Lend \$75 Million to Kaiser

Eighteen life companies are lending \$75 million to Kaiser Aluminum & Chemical Corp. on first mortgage 3½% bonds due in 25 years as a part of a \$115 million plant expansion program. The remainder of the financing is being done through banks. Insurers include New York Life, Metropolitan Life, Northwestern Mutual, John Hancock, Mutual Life, Aetna Life, Sun Life of Canada and Reliance Life.

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Pacific Mutual

LIFE INSURANCE COMPANY
HOME OFFICE—LOS ANGELES, CALIF.
Doing business only through General Agencies located in 40 states and the District of Columbia



LIFE AGENCY CHANGES

Anderson Succeeds Trubey for Guardian at Fargo, N. D.

Henry O. Anderson has been appointed manager at Fargo, N. D., by Guardian Life. He succeeds Ralph A. Trubey, who is retiring after more than 36 years of service with the company.

Mr. Trubey had been Guardian manager at Fargo almost 29 years. He started as agent at Lidgerwood, N. D., in 1914 and was appointed manager at Fargo in 1922. He held official posts in Guardian's Leaders Club six times, and was president in 1931-32. In 1947, 1948 and 1949 he qualified for the Million Dollar Round Table.

Mr. Anderson has had 21 years sales and managerial experience in Fargo and the surrounding territory. He is a past president of North Dakota Life Under-

writers Assn. and a former national committeeman.

Commonwealth Promotes 4

Commonwealth Life has made four promotions in its industrial agency department. George M. Asher has been advanced from field training manager to manager at Portsmouth, O. Mr. Asher joined Commonwealth as an agent in 1946, was promoted to assistant manager in 1948, and to field training manager in 1950. W. G. Shepherd, formerly manager at Portsmouth, has been transferred to Dayton.

R. F. Sanford, who has been assistant manager at Morehead, Ky., becomes field training manager. Mr. Sanford has been at Morehead since 1948. Wendell Greenup has been raised from assistant manager at Louisville to field training manager.

New Van Winkle Assistants

D. C. Kemp, first assistant manager of the Kellogg Van Winkle agency of Equitable Society at Los Angeles, has retired after 30 years with the company,

and now is living at Morago Springs, Cal.

John Breyfogle succeeds Mr. Kemp. He formerly was with Equitable in Michigan.

Charles F. Swager, field assistant in the Hollywood unit, has been made assistant manager at the headquarters of the Van Winkle agency. Frank Stoddard, district manager for Orange county, now will have jurisdiction over an enlarged unit and will maintain headquarters at Compton and Santa Ana, Cal.

Franklin Names Pickett as Mississippi Manager

George B. Pickett of Jackson has been named regional manager for Mississippi by Franklin Life.

W. Norton Miller, Jackson, and Walter W. Murphey, Hattiesburg, will be associate managers.

Mr. Pickett has been in life insurance since after graduating from Millsaps College in 1931. For 15 years he has been with Reliance Life as district manager in the Jackson area. He is past president of Jackson Assn. of Life Underwriters. Mr. Miller was formerly with Reliance Life and Mr. Murphey with Mutual Life.



G. B. Pickett

Anderson Regional Manager

The George F. Anderson agency at San Francisco has been appointed regional manager of Great Northwest Life of Spokane.

Mr. Anderson has been in life insurance work for nearly 20 years in the San Francisco area. He started with Prudential's ordinary agency at Oakland in 1932, leaving there in 1934 to spend three years in world travel. On his return he joined Manufacturers Life at San Francisco as an agent; in 1939 he was appointed assistant manager, and three years later was named manager. He left Manufacturers Life recently to establish his own agency. He plans to develop a full-time staff for Great Northwest.

W. W. Baker to Manhattan

William W. Baker has been appointed general agent of Manhattan Life at New Castle, Ind. He had been head of the insurance department of Interstate Finance Co. and before that was with Industrial Bank of Commerce at New York City for 21 years.

World Has Manager Shifts

World of Omaha has announced several manager changes.

With the retirement of W. E. Michener after 10 years of service in

Indiana, John and Robert Shallenberger have taken over that state. They have been with World six years, for the last four years as co-managers of the New England states.

In the District of Columbia, B. A. Frankl has relinquished the management to Joseph F. Belfiore. Mr. Frankl will remain with World in special sales work.

Bruce Gilbert Is Advanced

Pacific Mutual Life has named Bruce R. Gilbert general agent at Long Beach, Cal. He is the son of Erle T. Gilbert, Pacific Mutual's general agent at Los Angeles. Since his return from military service in the last war, Bruce Gilbert has been with his father's agency as an agent and more recently as supervisor.



B. R. Gilbert

Savage Dallas Gen'l Agent

Provident Mutual Life has appointed John N. Savage general agent at Dallas, effective March 15. He started in insurance at the age of 16 with his father's agency in New Mexico. In 1941 he became district agent for Connecticut Mutual Life in New Mexico and in 1949 was advanced to agency supervisor for its Dallas office. He is a veteran.

Name Hunting at Phila.

New England Mutual Life has appointed David G. Hunting manager at Philadelphia. He joined the company in 1948 in the Boston agency and has been at the home office as field training assistant. He is a graduate of Amherst and a navy veteran.

Haley Joins Patterson

Richard Haley has joined with Robert Patterson to form the Patterson-Haley agency of Ohio State Life at Akron.

Mr. Patterson has been in life insurance in Akron since 1931 and with Ohio State Life as general agent there since 1942. Mr. Haley until recently has been Akron manager for Dominion Life. Donald V. Leffler and Paul E. Murphy, associates of Mr. Haley's in Dominion Life, have also joined Ohio State Life.

E. A. Levesque Promoted

Edgar A. Levesque has been promoted to associate general agent of the J. Bruce MacWhinney agency at Newark of John Hancock. He has been with the company for 33 years and has been assistant general agent at Newark since 1939.

Anne L. Stenson has been promoted to agency cashier. She has been with the agency for 15 years.

GENERAL AGENTS WANTED

ILLINOIS, INDIANA AND OHIO GENERAL AGENCY OPENINGS ARE AVAILABLE TO QUALIFIED MEN. THIS IS YOUR OPPORTUNITY TO BECOME ASSOCIATED WITH A GROWING COMPANY LOCATED IN THE MIDDLE-WEST AND WRITING ORDINARY, GROUP AND A. & H. BUSINESS. WRITE US TODAY, GIVING BACKGROUND AND EXPERIENCE.

FARMERS LIFE INSURANCE CO.

504 1/2 GRAND AVENUE

DES MOINES, IOWA



Not too fat
...and
Not too thin

There's something to be said for the "just right" size. American United is among the top 10% of American life insurance companies and is big enough to be big. Important from the standpoint of sales: being big enough to employ top-flight home office talent, to be a factor in the investment market, to be able to properly diversify investment and risk, to enjoy the economic advantages of bigness.

But being small enough to be small is a good thing too. Important from the standpoint of sales: being small enough to keep in close personal touch with agents and policyholders, small enough to see our entire investment picture, small enough to set sales policy with a full understanding of field problems.

Yes sir, the "just right" size of American United makes a powerful selling tool—as the record of our men will quickly prove.



AMERICAN UNITED LIFE INSURANCE COMPANY

HOME OFFICE, FALL CREEK PARKWAY AT MERIDIAN ST.

INDIANAPOLIS, INDIANA

ACCIDENT

Cincinnati Membership Now Over 300; Snyder Is Speaker

Cincinnati Assn. of A. & H. Underwriters had an attendance of 75 of its peak membership of 296 at the February luncheon meeting, where sufficiently more members were pledged to President Albert Knapp to raise the total to exceed 300.

Paul Snyder, Metropolitan Life, Newport, Ky., spoke on "Morale." He explained how present world conditions can work to affect, first, morale, and then production ability, and suggested ways in which morale can be improved.

Polio Speakers Listed

George B. Butler, Texas life commissioner, and C. O. Pauley, managing director of H. & A. Underwriters Conference, will be the principal speakers at the annual convention of Polio Insurance Assn. at Dallas Feb. 27.

Discussion leaders will be Charles D. Scott, vice-president Great American Reserve, and Roy McDonald of H. & A. Conference, on underwriting, and G. A. Delahunty, Republic National Life, on claim handling. O. R. Leverett, vice-president International Fidelity Life, Dallas, is president of the association.

A. & H. Men Hear Maloney

In an informal talk before A. & H. Managers Assn. of San Francisco, Commissioner Maloney suggested two things which he believes A. & H. men should do.

In the first place, he said that the managers should strive to improve A. & H. selling methods so that there would be less misunderstanding by the general public in regard to coverage. This would eliminate many unreasonable complaints.

He also spoke of complaints about postclaim cancellations (tendency of some companies to cancel a policy after a claim). He said that he realized that in every case a company has legal grounds for cancellation, but for the sake of public relations a company should not be too quick to terminate a policy because of a claim.

Mr. Maloney touched briefly on state-supported insurance plans, but affirmed his firm belief in private enterprise. However, he said that the state has an obligation to people and when the failure of an individual company causes hardship to one or several persons, then the state must provide protection.

2 New N. A. L. & C. Managers

Harold Lightfoot, who has been an agent of North American Life & Casualty, Salem, Ore., has been promoted to manager there. G. C. Willis has been appointed manager of a new agency at Edmonton, Alta.

Mich. Congress at Lansing

LANSING, MICH. — Individual initiative was urged as the only alternative to a welfare state trend at a regional sales congress of Michigan Assn. of A. & H. Underwriters here, with more than 75 attending. Speakers said insurance men must do "a better job of selling" to see that each family has improved protection and show that governmental invasion of this field is unnecessary. Closer cooperation between insurance companies, hospitals and doctors in cases in which hospitalization coverage is involved was advocated.

Speakers included Wesley J. A. Jones, executive secretary International association; Dr. Kenneth P. Hodges, Lansing, Ingham County Medical Society public relations chairman; Virgil L. Elliott, chairman public relations committee Michigan association; Prof. Charles F. Hampton, Michigan State College, and Carl A. Ernst, North American L. & C., St. Paul, vice-president International association.

Little of Value Found in Cause-of-Death Studies

At a meeting of Middle Atlantic Actuarial Club at Washington, D. C., Arthur B. Ambler, assistant actuary of Acacia Mutual Life, reported on results of a poll among members of the club regarding mortality investigations. It showed that the size of the company is closely correlated with the extent of the investigations made, and the consensus was that cause-of-death studies

were virtually without value. It was recognized, however, that differences in underwriting practice, in origin of business, and in area of operation were factors that would introduce noticeable variations.

Guest of honor was Valentine Howell, vice-president and actuary of Prudential, who spoke briefly on the importance of effective actuarial presentations.

Edward J. Schmuck, general counsel of Acacia Mutual, outlined the history of war clauses prior to the Korean crisis.

Eye Another N. C. Tax

RALEIGH—A bill to restore corporation income tax on insurance companies will be introduced soon in the North Carolina legislature. The tax was removed some years ago, and the companies now pay a number of other taxes, headed by a gross premiums tax, which produced \$5 million last year. Restoration of a corporate income tax would cost the companies an additional \$250,000 a year, it is estimated.

CONTINENTAL AMERICAN Reports on 1950

Thanks to the ability, industry and loyalty of Continental American's field force, 1950 was a year of substantial progress. The benefits of life insurance were extended to a large group of additional policyowners and their families, while the Company's financial position was further strengthened. Insurance in force now exceeds \$242,000,000. Assets have passed the \$67,000,000. mark and exceed liabilities by 7%, a more than ample margin of safety by the usual standards of conservative life insurance companies.

NEW LIFE INSURANCE

- 15% greater than 1949.
- Nearly \$4,000,000. more than the largest previous year in the Company's history.

LARGE AVERAGE POLICY

- Average new policy \$9,126.
- Average policy in force at end of year \$5,613.
- 86% of all new insurance issued in policies of \$5,000. or over.

43rd ANNUAL STATEMENT

December 31, 1950

ASSETS

Bonds:	
U. S. Government.....	\$19,692,333.88
Canadian Government.....	309,021.25
State, County and Municipal.....	622,454.75
Public Utility.....	8,348,491.83
Railroad.....	285,953.22
Industrial.....	182,517.85
Total Bonds.....	\$29,440,772.78
First Mortgage Loans.....	30,589,004.26
Home Office Property.....	683,627.57
Preferred and Guaranteed Stocks.....	1,226,680.00
Common Stocks.....	73,402.89
Policy Liens within the Reserve.....	4,415,242.29
Cash in Banks and in Office.....	1,313,442.42
Total.....	\$67,742,172.21

LIABILITIES

Policy Reserves.....	\$60,986,192.99
Reserves for Policy Dividends, Taxes, Etc.....	1,374,699.62
Reserves for Contingencies.....	945,218.57
Total Liabilities, Except Capital.....	\$63,306,111.18
Capital Stock.....	\$ 637,530.00
Surplus.....	3,798,531.03
Total Surplus and Capital Stock.....	4,436,061.03
Total.....	\$67,742,172.21

CONTINENTAL AMERICAN
LIFE INSURANCE COMPANY

Wilmington, Delaware



AMONG COMPANY MEN

R. E. Perry Retires; Adamson N. W. Mutual Treasurer

Ralph E. Perry, secretary of Northwestern Mutual Life, is retiring March 1 after 48 years with the company. On that date the present secretarial depart-



C. W. Adamson



W. B. Minehan

ment will be divided into a treasurer's department and a secretarial department.

Chester W. Adamson has been elected

to the newly created position of treasurer. The title of secretary will be added to that of vice-president now held by Robert E. Dineen. William B. Minehan, assistant secretary, is promoted to associate secretary. He will be administrative officer of the secretarial department, subject to Mr. Dineen's direction. Questions of policy will be in the hands of Mr. Dineen with the assistance of Mr. Minehan.

As treasurer, Mr. Adamson will supervise premium collections, dividend and commission payments and premium accounting. The secretarial department will handle changes in policies, policy title questions, pension trust matters and other services to policyholders.

New Treasurer's Career

Mr. Adamson, for 12 years assistant secretary, joined Northwestern Mutual in 1922. He studied accounting and business subjects at University of Wisconsin in Milwaukee. Before becoming assistant secretary, he worked in various divisions of the secretarial department and for a time did field audit work.

Mr. Dineen, who joined Northwestern Mutual last July, was formerly superintendent of insurance of New York. As vice-president he assists President Fitzgerald in coordinating the insurance and

underwriting divisions and developing company and interdepartment policy.

Mr. Minehan, assistant secretary since 1948, joined the department in 1931. He is a graduate of Dartmouth. He has specialized in personal and business insurance plans in the advanced underwriting field. He was appointed an executive assistant in 1946 and assistant secretary in 1943.

Mr. Perry is retiring under the company's employee security plan. He was in the collection and policy title divisions before becoming assistant secretary in 1920 and secretary in 1943.

Security Mutual Elevates Carson, Best and Richard

Security Mutual of Binghamton has elevated Norman T. Carson from super-

intendent of agencies to agency vice-president. Robert M. Best and Robert E. Richard were named directors of sales.

Mr. Carson is a graduate of University of Pennsylvania and Temple University. He entered life insurance in 1929 and joined Security Mutual in 1939 as agency secretary. Following army service, he became assistant superintendent of agencies.

Mr. Best is an Ohio State graduate who joined Security Mutual in 1948 after having been agent and supervisor in Ohio. He was supervisor of group sales and last year was promoted to assistant superintendent of agents. He is a navy veteran.

Mr. Richard is a graduate of New York Tech and has been with Security Mutual since 1940. He had been assistant building manager, assistant secretary of the group department and assistant superintendent of agencies. He served in the army.

George L. Hinman, Binghamton attorney, was named a director of the company to succeed his father, Harvey D. Hinman, who resigned after 34 years on the board.

Hutchinson Agency V.-P. of Ohio Farm Bureau Units

Howard Hutchinson has been named agency vice-president of Ohio Farm Bureau insurance companies. Formerly director of agencies, he now becomes executive head of the entire sales organization. He succeeds Bowman Doss, who was recently promoted to the newly-created position of executive vice-president.

Mr. Hutchinson joined Farm Bureau insurance in 1932 as an agent at Cadiz, O. Two years later he was made a district manager and has since served as special agent in Ohio and North Carolina, field supervisor in Pennsylvania, and state agent in North Carolina, New York and Ohio. He was superintendent of agents just prior to his appointment as director of agencies in 1949.

Stone N. E. Mutual Director

Robert G. Stone has been elected a director of New England Mutual, succeeding Charles B. Barnes who has retired after 36 years, the longest term of any company director ever. Mr. Stone has been well known in Boston and New York investment circles for 30 years.

North Central Appointments

North Central Life of St. Paul has appointed Vernon F. Hurlburt, David B. Clemans and William H. Muhl assistant directors of agencies. All have been leading personal producers and Mr. Hurlburt has been with the company for the past year in the home office agency. His

function will be to develop credit life insurance.

Mr. Clemans has been with Penn Mutual and Northwestern National and will aid in developing a training program. Mr. Muhl has been with the company since 1942, most recently as Nebraska manager. He will develop new agents.

State Mutual Promotes Four

State Mutual has promoted Hugh M. MacKay to associate counsel, Hjalmar H. Skog to planning director, John D. Rommel, Jr., to manager of the group division's statistical department, and



N. T. Carson



H. M. MacKay



H. H. Skog

Everett C. Huntington to manager of the actuarial division's mathematical department.

Mr. MacKay graduated from Norwich University and received his law degree at Harvard. He joined State Mutual in 1937. On returning from army service in 1946 he was made assistant counsel. He was a recent lecturer on taxation at the University of Connecticut life underwriting school.

Mr. Skog joined State Mutual in 1930 in the title and claim department, transferring to the tax department of the law division in 1935. He later became tax analyst and was made an officer in 1948. In 1949 he became assistant to the chairman of the planning board and last September assistant secretary. As planning director he continues as assistant secretary. He is an army veteran.

Rommel, Huntington Careers

Mr. Rommel graduated from the University of Louisville in 1936 and received a master's degree the following year from Vanderbilt, where he continued as a mathematics instructor. He has a Ph. D. in mathematics from University of Kentucky. Following naval service, he specialized in actuarial mathematics at the University of Michigan graduate school. He joined State Mutual's group actuarial department in 1947.

Mr. Huntington graduated from University of New Hampshire in 1937, received a master's degree in science from Brown University and joined State Mutual's actuarial division in 1938. He is a veteran.

Both Mr. Rommel and Mr. Huntington are associates of the Society of Actuaries.

North American L. & C. Home Office Men Promoted

North American Life & Casualty has announced a number of home office promotions.

F. J. Huch has been advanced from treasurer to vice-president. I. W. Kimberle, assistant vice-president and office manager, succeeds him as treasurer. D. D. Lowmiller, group manager, becomes second vice-president and Rose Cisson, Harry Copps, J. E. Hofer, W. E. Sather and Gertrude Swanson assistant vice-presidents.

W. E. Beall and R. A. Friedrichs become assistant secretaries and Dean Carlson has been named field auditor. W. O. Johnson, formerly at the Fairbault, Minn., office, is moved to the home office as agency assistant.



"Hope I catch him in that pose when my Bankers Life retirement policy matures next week!"

Bankerslifemen Help Clients Realize Ambitions

Whatever a client's ambitions, the typical Bankerslifeman feels real concern about helping in their realization. It must be admitted that the ambitions are usually more serious than the one pictured above.

With a wide range of highly effective contracts, the proposal material to present a clear picture of their advantages, and the training to know how to fit these contracts to a client's needs; the Bankerslifeman is truly well equipped to help clients realize their ambitions. Added to this is a genuine desire to be just as helpful as possible.

The earned reputation for helping clients makes the typical Bankerslifeman the kind of life underwriter you like to know as a friend, fellow worker or competitor.

BANKERS Life COMPANY
DES MOINES

NEWS OF LIFE ASSOCIATIONS

Feature Inflation in Sales Presentation. Hill Advises

Grant L. Hill, vice-president and director of agencies of Northwestern Mutual, in addressing Life Underwriters Assn. of Kansas City, said the life salesman should lead out with inflation, which is the big topic of interest today, and make it a big "plus" in his sales presentation.

He starts out by bringing up a man's life insurance estate to the point the man thought he had it a few years ago. If the man wants to buy stocks, the agent points out that using cheap dollars to buy dear stocks is illogical. Mr. Hill said that in the depression when dollars were dear and stocks cheap, the men with stocks but without dollars were financially doomed.

He concluded with his famous "mistake close." An agent is talking to the president of a corporation about buying a \$100,000 key man policy on the life of X, a vice-president vital to the concern. The president hears the talk, and is thinking about it. The agent then points out that most all businesses make mistakes, but the smart ones try to keep the mistakes small. Whether or not it buys key man insurance on Vice-president X, the business is going to make a mistake, the agent says. The question is, what kind of a mistake should the business make. Say Mr. X is insured for \$100,000. After 20 years, if he is still living, the policy can be cashed in. The cost averages about \$140 a year—a \$140 a year mistake. On the other hand, if Mr. X is not insured and dies any time within the 20 years, it will represent a \$100,000 mistake, which is quite a large one. Which mistake is Mr. President going to make?

Taxation Called Ineffective in Reducing Inflation

CINCINNATI—Inflation itself is a form of tax on those having fixed incomes and eminent economists have treated it as such in their textbooks, E. H. Hahne, president of Miami University, Oxford, O., and board chairman of the Cincinnati branch of the Federal Reserve Bank of Cleveland, told Cincinnati Assn. of Life Underwriters. Too much is expected from taxation as a method of reducing inflation, he said.

Agency leaders in volume and lives were given special recognition at the meeting, which was sponsored jointly by the association and Cincinnati Associated Life General Agents & Managers. Dr. Hahne was introduced by C. Vivian Anderson, Provident Mutual, chairman of the board of Miami University.

Taxation must be accompanied by a reduction in government spending, because governmental consumption is itself inflationary by decreasing the supply and raising prices, Dr. Hahne declared. There is no sign at present that the administration will tax more than it spends. He therefore questioned the effectiveness of taxation as a means of checking inflation.

Four Top Notch Speakers for Georgia Sales Caravan

Four top-notch speakers, company executives, will give tips and techniques in selling and servicing policyholders when the All-Star Sales Caravan makes a four-city tour of Georgia in March.

Caravan sessions will be held at Atlanta March 14, Macon March 15, Augusta March 16 and Savannah March 17. The caravan is sponsored by Georgia Assn. of Life Underwriters, of which D. Lee Ballard, New York Life, Augusta, is president. Local associations co-sponsor sessions in each city. Roy Dial, Gulf Life, Albany, is chairman and will preside at morning sessions. Local presidents take over for the luncheon and afternoon session.

Grant L. Hill, vice-president and di-

rector of agencies of Northwestern Mutual, will tell why "Selling Should Be Fun." Bobby Reece of Nashville, former professional baseball star and now district manager for Life & Casualty, will tell how to achieve "Progress Through Persistency." A. R. Jaqua, director of the Southern Methodist University course, will give tips for getting money in the agent's pocket in his talk "Not Rich—Just Poor." Raymond C. Johnson, agency vice-president of New York Life, will tell why "There Is No Substitute for Life Insurance."

Los Angeles Congress Draws 900 Attendance

There were more than 900 attending the sales congress of the Life Underwriters Assn. of Los Angeles. James W. Lantz, Penn Mutual, described his operations which incorporate the theory that post-sales service is just as important as pre-sales activity. After the sale and once the policy is back in his hands, Mr. Lantz phones the client and advises him with as much enthusiasm as possible of the good news, even though the contract comes back rated. At the time of delivery, he always presents the contract to his client in a lock box along with a simple chart of the insurance program and a typed resume of the new contract. He finds that the \$2.50 that he spends for a lock box is very worthwhile and that the clients are actually more intrigued and delighted by the method with which the combination lock works than they are by the policy contract. Such a tangible gift he has found substantially aids him in making delivery on a contract that was not prepaid.

Mr. Lantz sends a post-sales letter to the insured and his wife, if she has been in on the interview, expressing appreciation to them and congratulating them upon the intelligent action taken. In this letter he indicates that rather than the end this is the beginning of life insurance service.

Mr. Lantz believes in advertising simply through a personalized blotter and has found that a birthday letter list and Christmas card mailing list are very important.

Among the other speakers were M. C. Trammel, Metropolitan Life; Robert A. Brown, Jr., Pacific Mutual; J. A. Lascelles, Sun Life of Canada; Robert S. Albritton, Provident Mutual; Peter Thompson, Equitable Society; Jack Schwartz, Reliance; Walter G. Gastil, Connecticut General.

200 Attend Sales Congress of Cleveland Association

About 200 persons attended the annual sales congress of Cleveland Assn. of Life Underwriters. Hal Nutt, director of the Purdue course, opened the meeting with a talk on "Managing Your Confusion." He was followed by Kenneth P. Dowd, supervisor of sales training of Phoenix Mutual Life, who dealt with prospecting. Merle Hostetler, Federal Reserve Bank, the luncheon speaker, discussed business trends.

Panel discussions comprised the afternoon program. They were led by Robert W. Osler, editor Life Insurance Salesman; Louis J. Castellano, Prudential; Earle W. Brailey, New England Mutual Life, and John R. Telich, Sun Life of Canada.

Connell N. J. Speaker

Clancy D. Connell, retired general agent for Provident Mutual, speaking on "Usefulness and Happiness Go Hand-in-Hand" at a meeting of Northern New Jersey Life Underwriters Assn., said it is not so much the sales that bring a feeling of accomplishment but the service that follows. "Through life insurance you can contribute to the happiness of all—even yourself," he said.

Other speakers were Joseph W. Fox,

1950

CONGRATULATIONS
TO THE LIFE
UNDERWRITERS
OF AMERICA

1949

The tremendous increase of life insurance protection for 1950 over 1949 is a tribute to the integrity and industry of you life underwriters... a testimonial to your sincere cooperation in helping families and individuals acquire financial independence and thereby build the economic security of America.

We know our own Great Southerners are especially proud to be a dynamic segment of this great field force... an army which makes available one of the surest bulwarks against the hazards of inflation... an adequate, well planned life insurance estate.

GREAT SOUTHERN

Life

INSURANCE COMPANY

HOME OFFICE HOUSTON, TEXAS

Berkshire Life, president of the New Jersey association; E. L. G. Zalinski, executive vice-president of N.A.L.U., and James E. Rutherford, vice-president of Prudential, who introduced the speaker.

St. Louis.—Lester O. Schriver, Aetna Life, Peoria, Ill., former N.A.L.U. president, spoke on "Your Business Is What You Make It." He also addressed the St. Louis managers.

Lawrence, Kan.—Herbert Langsdorf, supervisor in the Topeka agency of New England Mutual Life, called attention to the importance of service to policyholders in building up a large production over a period of years.

Beaumont, Tex.—J. L. Anderson, manager of Capitol Life at Corpus Christi, president of the Texas association, reported that the insurable interest bill had passed out of the state senate insurance committee. He said that to a great extent this was due to the interest shown by legislators by association members.

Butler, Pa.—The Butler branch of the Pittsburgh association on March 1 will hear Richard T. Metheny, agent for Fidelity Mutual Life at Pittsburgh, speak on "Prospecting for Production."

New Castle, Pa.—The New Castle branch of the Pittsburgh association on March 8 will hear Russell R. Shaffer, Prudential, speak on "Prospecting."

San Angelo, Tex.—Lloyd Grove, vice-president in charge of agencies of Western Reserve Life, said that the qualifica-

tions most important to the agent's success are not expert knowledge, high selling ability and wide acquaintance, but more than average willingness to work, plus average intelligence, the right mental attitude, a liking for people and drive for the better things of life.

Austin, Tex.—Woodrow C. McGill, Prudential, San Antonio, said that the agent must make his prospect feel he is seeking to help him rather than to tell him what to do.

Columbus, O.—Early in his career every life insurance agent must make a choice between rendering true life insurance service and merely selling life insurance policies, Nathan P. Paulus, State Mutual Life, Dayton, declared. To be successful in life insurance, he said, the agent must have a complete sales program covering the ground from procuring the prospect to completing the sale.

Herbert J. Loechler, sales congress chairman, told the plans for the congress March 9.

Seranton, Pa.—Charles J. O'Connell, field secretary of New York Life, declared that the only solution to the inflationary period is life insurance. Speaking on "Sources of Sales in 1951," Mr. O'Connell maintained that life insurance should be the background of all estates.

George F. Schautz, national executive committeeman, spoke on gratuitous insurance for servicemen.

Norwich, Conn.—William C. Fenniman, vice-president and trust officer of Phoe-

nix State Bank & Trust Co., Hartford, addressed the Eastern Connecticut association on estate pension planning and trusts. He is past president of Insurance & Trust Council of Connecticut.

Stamford, Conn.—Donald T. Bowland, general agent of State Mutual Life at Stamford, discussed various ways in which life insurance can be used to help individuals conserve estates.

Qualifications were announced for applicants for the scholarship to be awarded by the local association to the school in life underwriting at Storrs this summer.

New Haven, Conn.—H. L. Potter of the J. Watson Beach Agency of Travelers at Hartford spoke on "First Things First."

New Britain, Conn.—George J. Richards, general agent of Monarch Life at Hartford, discussed business life insurance.

Jackson, Mich.—"Sell with the heart as well as the head," was the advice given by Leslie Livingston, Grand Rapids, who spoke on "Motivating Prospects."

Memphis, Tenn.—Mrs. Eunice C. Bush, assistant state manager of Mutual Life, Baton Rouge, La., spoke on "You—Unlimited" at a dinner meeting, with wives and sweethearts of the members as special guests.

Nashville, Tenn.—Lester O. Schriver, Aetna Life, Peoria, Ill., former president of N.A.L.U., addressed the February meeting.

Roanoke, Va.—L. M. Jacobs of Richmond, assistant superintendent of agencies of Home Beneficial Life, spoke on "The Human Side of Life Insurance."

Manhattan, Kan.—Richard Rogers, secretary and assistant counsel of Manhattan Mutual Life, spoke on "A Widow's Legal Problems."

SALES MEETS

Honor Wis. National Leaders at French Lick Conference

Wisconsin National Life held its annual conference at French Lick, Ind. The President's Life Cup for individual production was awarded to Clarence E. Wolcott, Grand Rapids, Mich., and the President's A. & H. Cup to George Sanders, Springfield, Ill.

Speakers included President R. P. Boardman, W. J. W. Merritt, agency director, and S. G. Beazley, superintendent of A. & H. sales, together with I. M. Kanarish, New York Life, Chicago; E. J. Moorhead, executive vice-president of United States Life, and Robert W. Osler, Rough Notes Co., Indianapolis.

Amer. Mutual Meet Set

Approximately 150 agents, guests and home office personnel will be at Biloxi, Miss., Feb. 26-28 for American Mutual Life's 1951 production clubs convention.

Speakers will be John M. Holcombe, Jr., managing director L.I.A.M.A., and Sam Miles, vice-president Provident Life & Accident. Also on the program will be Dr. E. B. Mountain, president; H. S. McConachie, vice-president and superintendent of agents, and several agents.

Entertainment includes golf, sightseeing tours, a boat trip on the Gulf of Mexico and deep sea fishing. More agents qualified for this year's convention than ever before.

Four Get Builders Award

Four general agents of the State Life, Carl Adams, Cleveland; R. G. Leuzinger, Columbus; W. H. Hecht, Celina, O., and E. G. Siefert, Marion, O., have been granted the Agency Builders Award. Factors considered include growth in production and manpower, conservation and quality of business, premium income and cost of doing business.

National L. & A. Agents Meet

Nearly 300 leading agents and assistant managers of National Life & Accident and their wives attended a three-day meeting in New York. Edwin W. Craig, president; E. B. Stevenson, executive vice-president, and J. E. Wills, vice-

president and manager of ordinary, spoke. W. W. Chaplin, NBC news commentator, and Holgar Johnson, president of the Institute of Life Insurance, were on the program.

Agents of Farm Bureau Mutual and Kansas Farm Life, Manhattan, Kan., held their annual meeting at Wichita. Josh Lee, former U. S. senator from Oklahoma, was banquet speaker.

Five Former Directors to Address L.I.A.M.A. School

Five former directors of L.I.A.M.A.'s schools in agency management will address the school April 20 at the Edgewater Beach hotel, Chicago. The school is scheduled April 9-20.

The ex-staff members, who have become prominent in life insurance, will take over the final morning session. They are James R. Adams, director of ordinary agencies American National; John H. Jamison, co-general agent Northwestern Mutual, Chicago; H. G. Kenagy, vice-president Mutual Benefit; J. Harry Wood, president Central Life of Illinois, and Benjamin N. Woodson, executive vice-president State Life of Indiana. H. Fred Monley, present director, also will speak.

Goodwill Builders—

Salesmen generally know that a well-timed birthday card or a practical coin bank or similar gift creates goodwill with clients . . . an important element in successful selling.

Reliance representatives voluntarily buy a great quantity of gift items through the Company at considerable savings to them. These include calendars, pencils, policy wallets, coin banks, safety boxes, first aid kits and many other good quality gift items. The savings come through the Company's quantity buying and the Company's practice of paying a substantial part of the cost.

This service is just one of many offered Reliance representatives. Other services include tested merchandising material, modern policy contracts, successful agency-level advertising, adequate sales training facilities, popular accident and sickness policies, new programming equipment, etc.

The Company strives to cooperate with its sales organization in making available services that contribute to the agent's success. The Company will be glad to furnish you information about its method of handling advertising novelties and other merchandising materials.



RELIANCE LIFE INSURANCE COMPANY OF PITTSBURGH

"Reliance cooperation makes my job a lot easier."

Operating in 25 states. Writes all modern forms of life insurance including par and non par. Also accident and sickness insurance.

WE MADE IT
50 in '50
now for '51

The Postal Life Insurance Company pays tribute to its field force for their splendid accomplishment in 1950 of passing the \$50,000,000 mark of life insurance in force.

This was not by chance but by carefully laid plan—through home office cooperation—friendly underwriting consideration and prompt policy issue service.

Postal's complete portfolio of policy forms contains all the usual participating contracts plus many unique competitive forms such as Quadruple Protection, Special Adaptable Policy, Family Income to 2%, Reducing term mortgage 1st year dividend—pro rata return of premium in event of death.

Choice agency territory is available in New York State for aggressive producers with managerial capacities.

Write ROY A. FOAN
Agency Vice President



POSTAL LIFE
INSURANCE COMPANY
511 FIFTH AVENUE, NEW YORK 17, NEW YORK

Missouri Attorney-General Questions Legality of Group for Savings Depositors

JEFFERSON CITY, MO.—Attorney-General Taylor of Missouri has issued an opinion questioning the legality of insuring the lives of savings depositors under group policies. He contended that the banks under their state charters could not discriminate in their treatment of depositors. He pointed out that there could be discrimination, since under certain conditions a depositor who didn't go through with the savings account plan might be charged for insurance protection while others who either went through with the plan or who might die before completing it would be exempted from paying for the insurance, thereby getting a better break than the general run of depositors. He also made the point that the bank, by paying the premiums, would be using funds that might otherwise be available for the benefit of all depositors. There is understood to be a possibility that the banks' attorneys may confer with Mr. Taylor in an effort to clear up the situation.

The plan has been pushed by two St. Louis banks: Mercantile-Commerce, second largest bank in the city, which has a plan written by General American, and Mutual Bank & Trust, which is insured with Missouri Ins. Co. of St. Louis.

It is understood that Mercantile-Commerce Bank had received clearance for its plan from the insurance department but that later the department withdrew approval of such plans. However, that was not until after the Mercantile-Commerce plan had been put into effect.

Before Mr. Taylor's ruling both banks had extensively advertised their plans in St. Louis papers and Mercantile-Commerce had also used television. Since the ruling the advertising has been dropped. Opposition to the plan developed among life insurance producers and Missouri banks outside of St. Louis, the latter objecting to a development that threatens to siphon money into the St. Louis banks.

Controllers Hear Craig

Estate planning, formerly practiced only by those in the higher income brackets, is becoming increasingly important to lower income groups because of the changes in tax laws. J. Lowell Craig, general agent Northwestern Mutual Life, told the Milwaukee chapter of Controllers Institute.

While the average man builds up an estate largely in the form of life insurance and pensions, Mr. Craig said, even a comparatively small estate might be subject to appreciable income taxes if it were improperly established and all paid out immediately.

Controllers should guide company pension and insurance plans so that the plans would result in the least amount of taxes for those retiring and for beneficiaries in cases of death, Mr. Craig urged.

Newark C.L.U. chapter will hear George B. Gordon, director of advanced training of Mutual Benefit Life, at the Feb. 27 luncheon.

Meissinger to Lincoln Nat'l

Lincoln National Life is opening a new agency at Tulsa with William H. Meissinger as general agent.

Mr. Meissinger has been in life insurance 12 years and since 1945 has been manager for New York Life at Tulsa.



W. H. Meissinger

Still Estate Tax Loopholes, Internal Revenue Agent Says

Federal government officials believe there are still loopholes in the estate tax laws which are enabling citizens to get out of paying rightful taxes because of life insurance arrangements, William J. Connell, estate tax conferee of the bureau of internal revenue at Chicago, commented before the Chicago Life Insurance & Trust Council. He did not enlarge on this statement.

Mr. Connell said that there are still many who do not realize that for estate tax purposes there is an option to value assets a year after deaths rather than at the date of death. He termed it important in many cases to wait to file the return until the optional date comes around. He advised in all instances where there is some doubt as to whether it is necessary to file a return or not, a return should be filed.

Mr. Connell termed it the view of internal revenue that where there are agreements to sell and the buyer does not exercise his privilege of buying at death, it cannot be said that the price stipulated in the agreement is necessarily fair market value. He indicated that cases have arisen where extensive settlement option provisions have meant that no funds are available in an estate for the payment of taxes and he advised against tying up an entire estate under settlement options.

Dividend Must Be Applied to Keep Policy from Lapsing

Where a dividend was sufficient to keep a policy in force on an extended term basis when otherwise it would have lapsed, the dividend must be so applied and the fact that the beneficiary accepted the dividend check as the sole amount due under the policy does not nullify her right to the proceeds, the U. S. court of appeals, eighth circuit, has held in affirming a decision of the eastern Missouri federal court concerning a \$5,000 policy.

Acceptance of the dividend check by the beneficiary, according to the company, operated to prevent her from making any further demand under the policy. However, the appeals court held there was no merit in this connection, because when the plaintiff demanded the proceeds of the policy on the death of her husband the company advised her that only the dividend was available. Thus, there was no controversy at that time between the parties.

"She took what defendant erroneously told her was due," the court stated. "There was no release and no discharge executed by her. The payment of the lesser amount than that due did not discharge the obligation unless there was at the time a bonafide controversy." The case is *Fleischer vs. State Mutual Life* and is reported in 14 CCH (Life) 760.

Department Merger Favored

DES MOINES—The "little Hoover" reorganization committee proposal to consolidate the insurance department with the banking department and other divisions in a department of finance has been reported out for passage by the Senate governmental affairs committee.

TO FIGHT D. C. PROPOSAL

WASHINGTON—A committee has been formed by insurance interests to fight a proposal in Senator Kefauver's bill for "home rule" in the District of Columbia which would merge the District insurance department with a proposed new department of commerce. E. J. Schmuck, general counsel of Acacia Mutual Life, is chairman of the group. It has asked for time before a Senate D. C. subcommittee conducting hearings on the bill. Another members of the insurance committee is Howard Starling, Washington representative of Assn. of Casualty & Surety Companies.



"I consider the \$10 per day hospitalization and \$300 surgical group insurance program which our company has added to our group life and pension programs as a most valuable addition to security provided for Pan-American agents. And all this at no cost to us!"

Francis J. Selman

President, Dynamo Club 1949-50

In Addition, Pan-American Offers Merchandise Such As

★ THE MODIFIED 3
(which is sweeping the country)

★ THE 6 STAR SPECIAL
JUVENILE POLICY
(a complete education plan)

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A CAREER CONTRACT FOR CAREER
MEN WITH UNEXCELLED HOME
OFFICE SERVICE and UNDERWRITING

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PAN-AMERICAN
LIFE INSURANCE CO.

NEW ORLEANS, U. S. A.

Sales Ideas and Suggestions

Quaker City Has Good Fare at Annual Sales Congress

PHILADELPHIA — A full afternoon's fare of productive sales ideas was given the 500 persons attending the annual sales congress of Philadelphia Assn. of Life Underwriters. The speakers were David B. Fluegelman, Northwestern Mutual, New York City; R. Braddock Dinsmore, Provident Mutual, Princeton; and Robert N. Waddell, Connecticut Mutual, Pittsburgh.

The necessity for continuous educational efforts by an agent as the alternative to standing pat or retrogressing in his business was described by Mr. Fluegelman. He warned that ceasing to learn is a failing to which men in the business for some years are more prone than newer men and that it is more dangerous for them.

To emphasize the need for prospecting continually he recalled a report of a survey made by a company some years ago which showed that in 56% of the cases turned in in one year the agent had not known the applicant for a period of more than five years. This shows, he said, that new prospects must

be found or an agent's production will be halved in five years and he will be out of business in ten.

He suggested setting a prospecting goal that is not too difficult to fulfill and which can and will be adhered to regularly. He tries to see two new people each week in addition to taking care of his present clients. He suggested not wasting time in seeing people who aren't going to buy.

An agent should engage in community activities, primarily because he is anxious to do something of value to his community. With that attitude, indirectly his contacts will be invaluable to him in his sales life.

Why Sell Friends?

Forget any squeamishness you may have at selling friends, he advised. "If you don't, who will?" he asked. He observed that other agents in town noticing the close acquaintance between the potential prospect and another agent may assume that he has been sold by the fellow he knows and not ask him to

buy. If the agent friend hasn't asked, Mr. Fluegelman explained, the man may wind up with no insurance and, should anything happen, the agent friend will be faced with a lifetime of reproach from the widow.

He suggested using lunch hour for discussing insurance with prospects since it provides an undisturbed opportunity to see them. Don't waste time lunching with other agents, he said, "They'll never buy any insurance from you."

Put enthusiasm into your sales talks, he advised. The story is new and vital to each prospect even though it may be old and routine to an agent.

Finds Audit Helpful

The use of an audit for any client regardless of how much he buys was described by Mr. Dinsmore as the key to his sales success. He admitted that auditing policies takes a great deal of work but said that it saves him time on the street.

He said that it helps eliminate competition because when one of his clients shows another agent the work that has been done for him in the audit, the rival will decide that it isn't worth his time to buck such competition.

He carries a sample audit with him showing what has happened to the program of a man who in 1930 had four policies for \$21,000 in four different companies. He describes how it has been kept up to date, for example, the elimination of the mortgage insurance and use of the money to increase the life income, the education of one child with another policy, and the availability of some proceeds for retirement.

In getting basic facts he tries to be reasonable as to the amount needed, preferring to build for the future. He lets the prospect do most of the talking and answering of questions and tries to sell himself and not a policy.

Utilizing Older Policies

If a provision isn't in the policies that enables him to apply the cash value to purchase a life income at the rates contained in the settlement option, he writes to the various companies requesting that the feature be added. "Usually, the rates are very good," he said. "For instance, one company didn't have this feature until 1937, and at that time added the rider giving the privilege on all of the policies issued before that date provided the insured made the election at ages 55, 60 or 65. The 1937 rates were much better than those of today but the rider can be attached to any old policy." Whether he buys or not, there is always some service to be done and having accomplished this, his reward is the client's good will.

Aside from the prestige-building assistance, an audit enables an agent to get at the root of the prospect's problems, secure his undivided attention and be helped by the use of a visual aid, he said.

A motivating talk on the strength of life insurance by Mr. Waddell, which pointed out that its character will enable it to weather all storms, concluded the program.

Albert C. Adams, general agent of John Hancock Mutual, received the 1951 president's cup of the association for outstanding service to life insurance. The presentation to Mr. Adams was made by Lester S. Lamb, Connecticut Mutual agent, a former president of the association. Mr. Lamb and Mr. Adams entered the business together 30 years ago. Mr. Adams is the current president of the state association.

Sell Accountant, Attorney

Business insurance selling requires some knowledge and talents that aren't needed in a personal sale and involves

some extra problems. An improvement on standard technique of answering the objections of the partner, stockholder or proprietor has been developed in a number of agencies which feel that their presentations will inevitably and necessarily be turned over to the prospect's accountant or attorney. The objections the latter will raise must also be considered. However, an accountant's objections are as predictable as those of a prospect. Advance consideration of what the accountant or attorney might find wrong with the plan takes more time and preparation but is well worth the time. The agent has to sell all three anyhow before he'll get the premium.

Finds War Booms His Prospects for Business Insurance

Edward J. Mintz, New York Life, Salinas, Cal., told the San Francisco C.L.U. that business life insurance boomed during the second world war and that world conditions today indicate its even greater use during the period ahead. He reasons thus because of the coming shortage of manpower and the greater stress and pressure on the remaining key executives and employees, encouraging firms to insure against loss of personnel. This situation is causing principals to tie in certain key men even more closely with the future of their business.

From his own experience, he cited the example of a young war veteran who has developed a successful paint business. He is in the reserve and may be called at any time, so he is using business life insurance to assure the continuation of his key employee in the business. The sole proprietor has arranged that if he should die, this key employee will come in as a full partner of the proprietor's wife, a limited partner. The employee has insured his employer for \$20,000, approximately half of the employer's interest in the business. The proprietor has also insured his key employee for \$10,000 if he dies first.

In a small steel company, certain key employees have been sold stock and two of these employees have now insured the president and principal stockholder so that on his death they may purchase his stock. The employees, visualizing themselves as eventual heads and majority stockholders of the successful company, are concentrating on their jobs rather than looking for opportunities elsewhere.

Not only commercial partners but also professional partners are turning to business purchase and continuation plans, in Mr. Mintz' experience. He reported that doctors particularly have been interested in continuation plans with thousands already called into the armed service and thousands more to go. Mr. Mintz said that the life insurance agent can say to a doctor, "As your lawyer will tell you, if your partner should die, this partnership is dissolved. You would be obligated to wind-up the partnership affairs and settle with an executor or administrator and heirs of the deceased. But you're not going to be able to afford to take a lot of time off from your practice for sessions with widows, heirs, attorneys, executors and the probate court, trying to determine what your partner's interest is worth and how you can pay for it. You will want to concentrate on taking care of your patients and many of your partner's as well. You know how busy you are now. You'll be busier then. The more of such future problems that can be solved in advance, the better it will be for you, your heirs and your patients."



ZOOMING TO NEW HEIGHTS!

"You bet we're climbing to new heights in life insurance sales out here in Arizona. Recent figures of the Institute of Life Insurance show that Arizona's percentage of sales increase for 1950 over 1949 was 34%... highest in the country!"

"Greatest deal I ever made was when I signed up with Capitol Life. My contract assures genuine security to my family. And there's plenty of room out here — excellent opportunities for men who have faith in the West."

To qualified Field Underwriters and Agency Managers now residing in the western states, our agency expansion program which now includes Accident and Sickness, offers opportunities no ambitious man can afford to ignore.

Write us for complete details.

THOMAS F. DALY II
Director of Agencies

The CAPITOL LIFE
INSURANCE COMPANY

CLARENCE J. DALY, President HOME OFFICE, DENVER



Mich. Department Records Intact Despite \$4 Million Fire in State Building

The Michigan insurance department, which suffered severe water damage but no fire damage as a result of the burning of the state office building at Lansing, is now temporarily quartered in 18 quonset huts at Michigan State college, East Lansing. On March 20 the department will move into the old Auto-Owners building at Lansing. The address for both locations is Department of Insurance, Lansing, Mich.

Apparently only a minor part of department records will be unusable. The department was located on the fifth floor of the state office building and the fire occurred directly overhead on the sixth floor. A tremendous amount of water went into the department offices, but most of the records were stored in a water-tight vault and were not damaged. It will be some weeks before the records can be removed and sorted and it is determined how much has been lost.

For the first week after the fire, the department had temporary quarters in the Mutual building at Lansing, which is owned by Michigan Millers Mutual Fire. Arrangements have been made with the Lansing community chest, which has purchased the old Auto-Owners building to use as headquarters, to hold off occupying the space in favor of the insurance department until further arrangements can be made.

It was expected that at the annual meeting last week of Michigan Assn. of Insurance Agents Governor Williams would announce the resignation of Commissioner Forbes and name his successor, but this did not materialize. In view of the fire, it is understood that Mr. Forbes has been prevailed upon to stay in office, at least until the department records can be reorganized, and that is expected to take several months. His term expires in October.

Among those prominently mentioned as a successor is Joseph W. Mundus, local agent of Ann Arbor, and a former president of Michigan Assn. of Insurance Agents.

Revenue Act Changes Widen Business Insurance Market

The tremendous market for business insurance by corporations opened up by the new enabling legislation of the 1950 internal revenue act was stressed by Joel A. Blandford, Mutual Benefit, Dayton, O., vice-president of Dayton Life Underwriters Assn., in a talk at Painesville.

He said that under the 1950 act, provided certain reasonable conditions are met, corporations may purchase the stock of a deceased stockholder and not subject the heirs to a danger that this might be interpreted as indirect payment of a dividend.

By this means, Mr. Blandford explained, the way is cleared to permit corporations to fund through life insurance the purchase of enough stock of the deceased stockholder to pay for estate tax requirements.

Accompanying Mr. Blandford on a speaking tour sponsored by the Ohio association, including a meeting at Ash-tabula, were Daniel Casasanta, Metropolitan, president Springfield association, and Victor K. Miller, Connecticut Mutual, Columbus.

Present Commonwealth Awards

At the annual managers conference, Commonwealth Life's industrial agency department presented the President's Trophy to Phil M. McGary, manager of Louisville east district, for the best all-around job of management in 1950.

Bill Bracksieck, agent of the Kentucky district, received the director of agencies trophy for the greatest combined-volume of new paid business. Reed M. Locke, assistant manager at Pineville, was awarded the supervisor of agencies trophy for the best all-around job of staff management.

Gravengaard a Featured Speaker at N. Y. Congress

H. P. Gravengaard, vice-president and executive editor of the Diamond Life Bulletins department of the National Underwriter Co., will be a featured speaker with John D. Moynahan, Metropolitan Life, Berwyn, Ill., president of N.A.L.U., whose appearance has already been announced, at the annual sales congress of New York City Life Underwriters Assn. March 8. Mr. Gravengaard will offer practical sales ideas on business insurance.

Lambert M. Huppeler, New England Mutual, is chairman of the sales congress and Harold A. Loewenheim, Home Life of New York, is vice-chairman.

The all-day meeting will include a luncheon to which the Life Managers Assn. has invited the board of directors and the board of field underwriters of the association.

The meeting also features a panel of nine speakers on "How to get increased production without increased effort." They are Nicholas Aboltins, Mutual Life; Michael P. Coyle, Phoenix Mutual; Charles E. Drimal, Penn Mutual; Andrew F. Kinbacher, and Charles S. McAllister, New England Mutual;

James J. McCann, Home Life of New York; John V. Moller, Northwestern Mutual; Salvatore Scrudato, Metropolitan, Irvington, N. J., and C. Bruce Wilkinson, Mutual Benefit Life.

Would Put A. & H. Coverage More Nearly on Life Basis

WASHINGTON — Seeking to put A. & H. and hospitalization policies on a basis more closely comparable to life insurance coverage, Rep. Multer, New York, has introduced a resolution proposing an investigation by a special House committee of A. & H. and hospitalization companies and providing an appropriation of \$100,000 for that purpose.

Pointing to the continuing coverage in life policies from year to year, their paid up cash surrender and loan values, Multer said A. & H. and hospitalization policies contain no such provisions; that when payment ceases benefits stop. If a man loses his job and has less money, when he needs protection most he may not be able to get it. He hoped these conditions would be remedied as result of the proposed investigation.

Citing the improvements in life insurance methods as a result of the Hughes investigation, he expressed the hope

that the proposed investigation could accomplish similar results in A. & H. and hospitalization, resulting in wider use, maximum benefits and lower premiums.

He said the investigation would not touch on problems within the jurisdiction of other committees.

Battleson in New Post

Stephen S. Battleson, formerly manager of A.&H. sales, has been named inspector of agencies for West Coast Life. He will now assume responsibility in the development of life insurance as well as in the promotion of A.&H. sales.

A.&H. promotional work in the southwest will be handled by Robert Cecil, manager at Los Angeles, and under a similar set up, Cecil Fuller of Tacoma will handle the work in the northwest.

Hear Frank Case Feb. 27

The case of Roberta Field Frank vs. Continental Bank & Trust Co. of New York has been postponed by the appellate division of the New York supreme court to Feb. 27. The case involves the exacting of a trust estate attorney's fee of \$3,250 by the trustee when it was merged into another bank and wanted to discharge its obligations.



In the summer of 1903, two men in an automobile headed East from San Francisco; their arrival 64 days later in New York marked the first successful auto trip across this continent—an "inter-ocean" record. That same year, INTER-OCEAN was in the insurance business.

Like the automobile, INTER-OCEAN has come a long way since 1903. Built on sound principles, INTER-OCEAN

has kept pace with the years, and today our ideas are as modern as the latest, most efficient new car models. You get the full advantage of these sound principles plus modern ideas, when you write INTER-OCEAN'S complete line of Life, Health, Accident and Hospitalization.

INTER-OCEAN INSURANCE CO.
CINCINNATI 2, OHIO

PERSONAL PROTECTION SINCE 1903

LIFE • HEALTH • ACCIDENT • HOSPITALIZATION

Fund Opens \$100,000 Office

NEW YORK—A \$100,000 headquarters for the pension and welfare fund covering 10,000 painters and paperhangers in this area was opened here in a ceremony in which Mayor Impel-

litteri participated.

The fund is administered by union and employer trustees. Life and accident benefits are underwritten by Prudential; medical and surgical services by Health Insurance Plan of Greater New York, and hospitalization by Blue Cross. The

\$1,200,000 fund was begun five years ago and includes a pension plan.

Martin E. Segal & Co. of New York City is the consultant on the plan.

U. S. Chamber Offered Two Declarations on Insurance

WASHINGTON—The U. S. Chamber of Commerce insurance committee has recommended two declarations of policy with respect to life insurance for consideration and adoption by the chamber's directors.

One points out the basic importance of life insurance policy reserves, both to those who have accumulated them and to the general economy, and states that "it is important that this fundamental and contractual relationship between the life insurance companies and their policyholders be taken into consideration in any discussion of government borrowing and debt management policies that have a bearing upon the general level of interest rates."

The other states that it is fully recognized that there is a need for a government program of protection of dependents of servicemen while on active duty and to take care of the normal hazards that cannot be covered by private companies without charging rates so high that few servicemen could afford to buy the protection. However, to whatever extent is practicable the government should not duplicate the facilities or compete with private insurers in those

areas of coverage which can be serviced by private insurance companies.

"The government should not provide life insurance coverage for a discharged serviceman whose physical insurability has not been impaired while in the service," the proposed declaration states. "Private insurance companies are in a position to meet all the insurance requirements of such men and government insurance for these veterans can only be justified as a device for granting a subsidy in the cost of their life insurance. For those veterans who have become impaired while in the service and have thereby lost their normal insurability, it is the duty of the government to permit them to apply for and obtain some amount of insurance without penalty for the impairment incurred, and any excess mortality arising in this group should be paid for out of general revenue."

Explains Development Plans

Tom Lowe, real estate manager of Pacific Mutual Life, in a talk before the chamber of commerce in Norwalk, Cal., scene of the company's latest shopping center development, told why it was selected and how life insurance premium funds, invested in soundly planned real estate projects, can be expected to influence American community-building of the future.

Similar integrated shopping centers which Pacific Mutual already has financed at Salem, Ore., and Salinas, Cal., have proved outstandingly successful.

WANT ADS

Rates—\$12 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday noon in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER — LIFE EDITION

C. L. U. OPPORTUNITY IN SOUTHERN CALIFORNIA

A Billion Dollar Life Insurance Company has a Position open for a qualified ASSISTANT MANAGER—to assist in recruiting and training general agents, brokers and agents.

Excellent Opportunity — Salary open—Plus commission and Bonus—

Please give qualifications and background — Correspondence absolutely confidential —

Address D-51, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

OPPORTUNITY PROVEN

We need a State Supervisor for a North Central State producing \$6,000,000 annually. Present Supervisor being promoted. Duties include recruiting, training, supervision in established agencies and new development.

Qualification: C.L.U. or Q.M.R.T. preferred. Minimum age 32. Starting salary \$4,200 plus bonus, expenses and car furnished.

Address D-82, The National Underwriter, 175 West Jackson Blvd., Chicago 4, Illinois. Give experience and other qualifications. All inquiries confidential.

LOS ANGELES SUPERVISOR

Opportunity in long time established Agency producing over 4 million yearly. Man we are looking for is about 35, married, Supervisory experience not necessary if he has good sales record, ability to assume responsibility with know how or willingness to acquire it and an unfulfilled desire to prepare self for Agency of own. Los Angeles man preferable, but not necessary. Our folks know of this ad, and your reply, giving complete background, will be treated most confidentially. Address D-85, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

EXECUTIVE GROUP SALESMAN

Top-level field and administrative experience. Age 39. Available within 30 days. Address D-89, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED — FEMALE

Secretary in financial planning and life insurance. College graduate with mathematics major preferred. Excellent opportunity for career. Starting salary up to \$3,600 depending on experience and training. Replies held strictly confidential. P. O. Box 488, New Canaan, Connecticut.

COMPLETE PERSONAL INSURANCE COVERAGE

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LIFE HEALTH
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REINSURANCE



REPUBLIC NATIONAL LIFE INSURANCE COMPANY

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HOME OFFICE

DALLAS, TEXAS

Life Insurance in force exceeds \$310,000,000.00

NON-CANCELLABLE A. & H. COVERAGES

CHECK THESE SPECIFICATIONS

- ✓ 1. Accidental Bodily Injury Insuring Clause.
- ✓ 2. "His Occupation" Definition of Total Disability.
- ✓ 3. Non-aggregate coverage for as long as 120 months or to age 65—House confinement never required.
- ✓ 4. Lifetime Accident if desired.
- ✓ 5. Waiver of Premium after 90 days.
- ✓ 6. Liberal Hospital and Surgical Benefits on an optional basis.
- ✓ 7. Policies Guaranteed by one of America's oldest and largest Accident & Health writing companies.

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an outstanding
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"THE DOCTORS SAY ONLY MY TREMENDOUS DESIRE TO ENJOY MY RETIREMENT INSURANCE CHECKS PULLED ME THROUGH."

Benny District Manager

Frank J. Benny has been appointed head of Prudential's district office No. 1 at Akron. He has been in sales work since 1939. He joined Prudential in 1942 in Rochester, N. Y. He was advanced to staff manager in Rochester shortly after returning from army service.

Trust Council Hears Veatch

"If you are not rich already, you probably never will be," J. Harry Veatch, St. Louis general agent of Northwestern Mutual, told the Life Insurance & Trust Council there.

He explained that the present high individual taxes take too much from earnings to permit a person to accumulate large wealth and that inheritance taxes make it difficult for a person of wealth to pass it along to others. This emphasizes the need for life insurance and estate planning.

Dr. Becker C.L.U. Speaker

Dr. Arthur Becker, chairman of the University of Wisconsin economics department at Milwaukee, spoke on "The Outlook for Inflation" at a luncheon meeting of the Milwaukee C.L.U. chapter. The meeting was open to candidates for the designation.

Alport Sees a Good Year

David B. Alport, vice-president of Business Men's Assurance, told Nebraska Insurance Institute at a dinner at Lincoln that a good year for insurance is in prospect. He reviewed 1950 from the underwriting executive's standpoint. He said the Korean situation had considerably increased the volume of term insurance.

Van Goldman Has Best Year

The A. Van Goldman agency of Prudential at Chicago had a record year in 1950 with sales of \$14 million, of which \$5,600,000 was group, also a new mark.

Hartford Bonded Timmerman

The bond covering Leonard Timmerman, auditor of Northwestern Mutual Life, was in Hartford Accident through the Leedom, O'Connor & Noyes agency of Milwaukee. It is understood to be an insurance company blanket bond form 25.

The loss to Hartford Accident will probably be less than \$25,000. Timmerman was charged with embezzlement of \$87,000, but salvage already amounts to better than \$60,000.

Two Kansas General Agents

American Home Life, Topeka, has appointed Lee F. Shannon general agent for eastern Kansas at Paola and George O'Malley northeastern Kansas general agent at Hiawatha.

NEWS BRIEFS

Western & Southern Life has named Verlan R. Andrews associate manager at Indianapolis and William McConaughy associate manager at Rockford, Ill. Mr. Andrews entered life insurance in 1949 and has been an agent at Indianapolis. Mr. McConaughy, whose territory will be Freeport, Ill., joined the company in 1947.

Effective March 1, the New York office of the James G. Ranni agency of Manhattan Life will be located in the home office building.

Palmetto State Life of Columbia, S. C., has declared a 33 1/4% stock dividend, increasing capital from \$150,000 to \$200,000. There was also declared a quarterly dividend of 50 cents a share on the old stock and an extra of 50 cents.

H. Lee Minton, Jr., field supervisor of Travelers at Chicago, has joined the O. T. Slagsvol agency at Eau Claire, Wis. He is the son of H. Lee Minton, Sr., manager of the life department of Travelers at Milwaukee.

National L. & A. has created the office of honorary chairman and elected C. A. Craig, one of the founders of the company, to that office. Mr. Craig is also chairman of the executive committee and chairman of the finance committee. Last year he celebrated his 50th anniversary with the company.

Sterling of Chicago has opened a new Des Moines office. R. E. Collette, formerly with Bankers L. & C., is manager.

H. G. Kenagy, vice-president Mutual Benefit Life, is giving five weekly conferences at Newark on selection, training and supervision of salesmen for members of Sales Executives Club of Northern New Jersey.

Southern Utah Power Co. has sold \$1,200,000 of first mortgage bonds, 3 1/4% series due in 1981, and \$500,000 of 4% debentures due in 1971, to New York Life, Bankers Life of Nebraska, and the Armour Co. employees' pension fund. New York Life took \$1 million of bonds and \$250,000 of dividends.

Carl E. Haas, general agent for Continental Assurance, received a plaque for service as president of the Brooklyn Life Managers' Assn. from Marshall M. MacLeod, Prudential, current president.

FOR SUGGESTION BOX

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will perk up our private office execs' personal assistant filing to save their time—save emergency demands on central files. Why not? in each private office a handsome...

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GENUINE WOOD FILE CABINET

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Where is the private-office executive who doesn't need certain papers and documents right at hand—for instant reference?

Or certain personal papers, lacking suitable housing elsewhere?

The private office file cabinet is a recognized necessity, and genuine wood cabinets in the Globe-Wernicke tradition of handsome appearance, smooth efficiency, meet the need with distinction.

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NATIONAL RESERVE LIFE

Topeka, Kansas

A few unusual opportunities open for liberal general agent franchises in states west of the Mississippi.

H. O. CHAPMAN, President

AGENCY MANAGEMENT

Two of Three Delayed Apps Caused by Errors in Field

Two out of every three applications that cannot be acted upon at first handling are the result of errors or omissions that could have been prevented in the field, Pearce Shepherd, vice-president and associate actuary of Prudential, told New York City Life Supervisors Assn.

"Answers are omitted, wrong forms are used, sometimes the age and date of birth given do not agree," he said, in contending that home office underwrit-

ers, though not completely blameless for delay, nevertheless are not responsible for the majority of them.

He discussed improved practices in medical underwriting and told of the excellent results the company has had in placing a medical underwriting manual in agency managers' hands. It contains not just an abbreviated list of medical impairments but the full story of how an impairment affects mortality, what ratings are applied, prospects for a reduction in rating later, etc. Managers can get attending physicians' statements when needed and send them along with the application, help the agent

place a rated case, or explain a rejection in such a way that the disappointed applicant harbors no resentment.

"Tell the home office the whole story," Mr. Shepherd advised.

Solicitation of Surplus Business St. Louis Issue

St. Louis Life Managers Assn., through its committee on agency practices, is considering what restrictions should be placed on agencies in soliciting the surplus business of full-time agents of other offices.

In recent months many agents have been getting form letters asking them to consider various companies in placing coverage in excess of what their own companies will consider. The matter was discussed at the managers' meeting recently, where it was indicated that some of the letters go a little too far in pointing out the commissions and renewals the soliciting company offers.

Erie Managers Organize

Officers of the newly formed General Agents & Managers Assn. of Erie, Pa., are: President, Andrew A. Adinolfi, John Hancock; 1st vice-president, Richard Ladley, Monarch Life; 2nd vice-president, Himes Silin, Lincoln National Life; treasurer-secretary, George Mongello, Western & Southern Life.

Managers to Hear Agents

Two agents will tell "What We Like and Dislike About Management" at a dinner meeting of Oakland-East Bay General Agents & Managers Assn. at Berkeley, Feb. 27.

The speakers will be James Banghart, New England Mutual, San Francisco, and Lee Watkins, John Hancock, Oakland.

L.I.A.M.A. Men at Pittsburgh

A management conference will be held at Pittsburgh Feb. 27. Speakers will be Dr. S. Rains Wallace, Jr., Brice F. McEuen and Charles J. Zimmerman of Life Insurance Agency Management Assn.

AGENCY NEWS

Party Marks Bean's Fifth Anniversary in Chicago

Agents and the office staff of the Ferrel M. Bean agency of John Hancock in Chicago presented Mr. Bean a giant birthday cake in commemoration of his fifth anniversary as general agent.

When Mr. Bean took over the agency there were only five full-time agents and the average annual ordinary production was about \$5½ million. In 1950 the agency had 29 full-time agents and paid for ordinary production of \$10 million, with total production credits of \$23,324,000. The percentage of business from the full-time agency force has increased in proportion. The average size ordinary policy is approximately \$5,500.

Mr. Bean started with Hancock in 1920 and was a general agent and superintendent of general agencies before his appointment as general agent at Chicago. He is vice-president of the Chicago Life Managers Assn.

Earl Jordan Agency Wins Mass. Mutual Perry Award

The Earl C. Jordan agency of Massachusetts Mutual Life at Chicago has won the company's Perry Achievement Award for its fine showing in 1950. Mr. Jordan presented the award to the agency at a special luncheon attended by all agents and office personnel. The award, which is the company's highest honor, was established in 1947 by the Massachusetts Mutual General Agents Assn. It honors Bertrand J. Perry,

president of the company from 1936 to 1945.

The basis on which the award is given includes results of established agents, new agents, new sales, persistency, general efficiency and cooperation.

Last year the Jordan agency paid for \$8,416,732, a gain of 43.6%, was second in gain for the year country-wide, advanced from 10th to fifth in net production, was among the top agencies in group production and was the No. 1 agency in paid production from new men.

Sherman Strong Agency Marking 45th Anniversary

The Sherman M. Strong agency of John Hancock in Chicago is marking its 45th anniversary this year. The agency, which had a substantial gain for 1950, was founded by Mr. Strong's father, Col. Joseph H. Strong. Sherman Strong joined the agency on graduating from Brown University in 1915 and has been with it ever since except for service in the first world war. He became associate general agent in 1929, and general agent on the death of his father in 1941. He is a graduate of the L.I.A.M.A. school. The office specializes in brokerage and surplus lines and has a highly experienced agency staff.

James T. Purves Honored

James T. Purves, general agent of Connecticut Mutual at Albany, was guest of honor at a dinner given by the five upper New York state general agents at Albany. He won the annual competition among these agencies.

Vincent B. Coffin, senior vice-president, presented two special trophies to Mr. Purves, who attained both the largest gain in volume over his average for the previous three years and the best record in new organization development.

DePau Leader in South

The Miami district office of Prudential led all southern states in 1950, and ranked ninth in the nation. Robert W. DePau, Jr., is district manager. Net sales exceeded \$10 million.

M. E. McKibben has completed 10 years as manager at Denver of Acacia Mutual Life. The occasion was noted by employees of the agency at a luncheon.

FRATERNALS

Royal Neighbors Figures Mirror Successful Year

New paid-for insurance written in 1950 by Royal Neighbors amounted to \$23,611,705, a decrease of \$2,041,405 from the 1949 total. Insurance in force increased \$3,035,208 to total \$395,675,240. Assets increased 3.26% to \$133,355,288. The society earned a net interest at the rate of 3.22% compared with 3.33% in 1949. Death claims and payments to members during 1950 totaled \$6,429,731.

A bill in the Ohio senate would permit fraternal societies to transfer excess mortuary funds to the expense fund.

**MORE THAN
SIXTY MILLION
DOLLARS
paid in benefits in our
SIXTY YEARS
WOODMEN CIRCLE**

Omaha, Nebraska
Dora Alexander Talley, President Clara B. Cassidy, Secretary

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Most reverent . . . mother

Most tragic . . . death

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Most cruel . . . revenge

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A Legal Reserve Fraternal Insurance Society

G. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary
SHARON, PA.

Expect New MDRT High This Year

(CONTINUED FROM PAGE 8)

C. Mascotte, Lincoln National, Fort Wayne; R. L. Maxwell, Southwestern, Dallas; R. C. Meadows, National Life of Vt., Binghamton, N. Y.; Louis Meister, Mutual Life, Hartford; B. H. Micou, New England Mutual, Detroit; W. B. Monroe, Union Central, New Orleans; D. L. Myrick, Great Southern, Lake Charles, La.; Jules Nassberg, Berkshire, New York; L. L. Newman, Penn Mutual, Fort Wayne; R. C. Newman, New England Mutual, St. Louis; C. M. Oehl, Northwest Mutual, Los Angeles; C. M. Oehl, Northwest Mutual, Toledo; J. G. Oltoff, Republic National, San Angelo, Texas.

W. P. Parr, John Hancock, Baltimore; W. H. Pendell, Penn Mutual, Saginaw, Mich.; H. Phillips, Penn Mutual, New York; A. Phillips, Northwestern Mutual, West Orange, N. J.; W. L. Pool, Lincoln National, Norfolk; W. L. Porte, Mutual Life, New York; A. F. Priebe, Penn Mutual, Rockford, Ill.; H. J. Richard, New York Life, Boston; M. R. Robbins, New York Life, Rocky Mount, N. C.; W. H. Robbins, Equitable of Iowa, LaFayette, Ind.; L. A. Rosen, Union Central, Memphis; M. H. Rosser, Phoenix Mutual, Boston; C. H. Schaaff, Mass. Mutual, Springfield, Mass.; R. L. Scharff, Northwestern Mutual, St. Louis; S. O. Schumacher, Provident Mutual, Akron; J. W. Schwab, Indianapolis Life, Indianapolis; C. E. Seay, Southwestern, Dallas; C. M. Sherman, Great West, Toledo; C. S. Siewers, Security Life & Trust, Winston-Salem; W. E. Stanley, Provident, North Western Mutual, Minneapolis; L. R. Stein, Home Life of N. Y., Newark; Grant Taggart, California Western, Cowley, Wyo.; C. E. Tobias, Jr., Provident Mutual, Norristown, Pa.; J. O. Todd, Northwestern Mutual, Chicago; S. L. Turner, New England Mutual, New York; M. D. Vail, Northwestern Mutual, Chicago; R. E. Watson, Occidental, San Francisco; S. J. Wayburn, New York Life, Detroit; C. R. Weil, Northwestern Mutual, Cincinnati; C. R. Welman, National Life of Vt., Memphis; Lawrence Willet, Northwestern Mutual, Atlanta.

Life Members

L. E. Andersen, Equitable Society, Pasadena; D. G. Berry, Gulf Life, Miami; R. O. Bickel, National Life of Vt., Cedar Rapids, Ia.; R. W. Brooks, New England Mutual, Erie, Pa.; W. Burns, Independent, Philadelphia; Mrs. Eunice C. Bush, Mutual Life, Baton Rouge; T. W. Callahan, Home Life of N. Y., Boston; F. J. Campbell, Jr., Conn. General, Philadelphia; N. W. Carr, Jefferson Standard, Jackson, Miss.; Quan Lun Ching, Prudential, Honolulu; C. E. Cleeton, Occidental, Los Angeles; W. O. Cord, Fidelity Mutual, Dayton; J. L. Craig, Northwestern Mutual, Milwaukee; R. U. Darby, Mass. Mutual, Baltimore; D. E. Dean, Equitable Life, Philadelphia; H. T. Dillon, National Life of Vt., Atlanta; C. H. Earl, Government Personnel Mut., Little Rock; G. A. Eubank, Prudential, New York; F. B. Falkstein, Prudential, San Antonio; Jack Fitch, North American Life, Montreal; Cecil Frankel, Equitable Society, Los Angeles; Irving Freed, New York Life, New York; F. H. Fuhrman, Conn. General, Reading; G. M. Galt, Mass. Mutual, Pittsfield, Mass.; F. S. Goldstandt, Equitable Society, New York; Clay W. Hamlin, Mutual Benefit, Buffalo; R. H. Henshaw, Franklin Life, Philadelphia; W. C. Hester, Pan American, Jackson, Miss.; Takeshi J. Hitomi, Lincoln National, Sacramento; Mrs. S. Hoffman, Union Central, Cincinnati.

J. D. E. Jones, Equitable Society, Providence; D. A. Kaufman, Northwestern Mutual, Milwaukee; H. A. King, Occidental, Baltimore; J. R. Mage, Northwestern Mutual, Los Angeles; V. A. Milette, Northwestern Mutual, Newark; Charles Moore, Conn. Mutual, Memphis; H. G. Mosler, Mass. Mutual, Beverly Hills; S. N. Murphy, Penn Mutual, Natchez; A. J. Nussbaum, Mass. Mutual, Milwaukee; G. W. Page, Provident Mutual, Los Angeles; Aubrey Peters, New York Life, Chicago; C. R. Phelps, Mutual Benefit, Sacramento; R. K. Powers, Mass. Mutual, Spokane; C. D. H. Prussing, Conn. General, San Francisco; Alfred Pugno, Mutual Life, Fremont, Mich.; Lloyd Ramsey, Mutual Benefit, Memphis; S. D. Rosan, Continental Assurance, New York; G. Rude, Mutual Benefit, Newark; L. R. Schultz, Northwestern Mutual, Norristown, Pa.; T. M. Scott, Penn Mutual, Philadelphia; Marvin Sherman, Equitable Society, Los Angeles; Ben Smick, American United, Spokane; C. R. Smith, Mass. Mutual, Asheville, N. C.; H. W. Stanley, Equitable of Iowa, Wichita; S. C. Steinman, Northwestern Mutual, Chicago; J. H. Veatch, Northwestern Mutual, Los Angeles; S. R. Weems, Minnesota Mutual, McAllen, Tex.; N. J. Woodland, National Equity, Baton Rouge; H. E. Wuertenbaeher, Penn Mutual, St. Louis; J. K. Wyard, John Hancock, Peoria, Ill.

W. E. Merrill, Colby, Kan., is president of National Fidelity Life's President's Honor Staff as top producer for 1950.

Section 213 Revision Must Wait a Year

(CONTINUED FROM PAGE 1)

That is why a company may not be able to pay its agents as much as might seem possible, for the total compensation it can pay its agents is limited not only by the specific limit on commissions but may be even further squeezed by the two outer circles.

The bill introduced this week would pull out the innermost circle and give it independent status. It could no longer be squeezed by the two other circles.

Would Drop "Dollar" Control

An important feature of this change is that the limit on agents' compensation would be solely a contract or percentage control. Under the present law there is also a limit on the number of dollars that can be paid, because the total compensation a company can pay its agents must stay within the total agency expense limit which in turn must be within the over-all expense limit.

Under the bill, agents' compensation would only have to be within the percentages provided in the law. The compensation provision of the bill is based on the Linton "A" rate for persistency of business, the McConney-Guest survival rate for agents, and 3% interest. But even if persistency and survival should prove much higher than the assumptions, the company would still be allowed to pay the greater amount of commissions resulting therefrom.

Would Effect Equalization

The bill would achieve the long-overdue equalization of branch office and general agency setups. It would make it easier to start a general agency from scratch, which a company cannot do under the present law since the allowable expense is based on first year and renewal business, making it necessary for the general agent to use his own funds or go heavily into debt or for the company to start him on a managerial basis and later switch over to the general agency plan.

A highly important feature is that general agency expense would be subject to an over-all limit for the entire company rather than on an agency-by-agency basis, as is now the case with general agencies.

N. Y. Department Studies Draft

Since last fall the New York department has been analyzing the proposals for the revision of the statute which is one of the most important of the state's laws and indisputably the most complex. Until it has completed its analysis of the proposals made by A.L.C.-L.I.A. after two years of study by a committee and four subcommittees with large staffs, it cannot take a position on the bill. However, Superintendent Bohlinger cooperated in the legislative introduction of the revision to expedite action.

Spencer L. McCarty, Provident Mutual, Albany, chairman of the N.A.L.U. compensation committee, will summarize and report on the new bill at the mid-year meeting at Minneapolis, April 2-5.

Financial Highlights Bear Out 1950 as Excellent Year

(CONTINUED FROM PAGE 1)

amounting to \$161,456,100. Insurance in force rose to \$1,570,184,150. Assets increased \$27,531,387 to a total of \$381,575,095. Premium income amounted to \$40,082,519. Net interest earned was 3.27% compared to 3.21% a year ago.

UNION MUTUAL LIFE

Record new business during 1950 for Union Mutual Life boosted the total insurance in force to \$249,426,612. Assets reached \$57,154,540. Company income was \$14,976,273. Total payments to policyholders and beneficiaries amounted to \$4,642,405. Policyholders surplus increased \$800,000 to \$4,313,835.

The A. & H. department showed an increase in premiums of 22.8% over the 1949 figure and the premium gain on group life was 20.9%.

WEST COAST LIFE

New life insurance sales in 1950 for West Coast Life amounted to \$42,359,051 as compared with \$38,426,604 in 1949. The increase in insurance in force was \$29,197,061, making the new total \$255,403,836. Ordinary life increase in force amounted to \$8,999,944 and the remainder was group life. Premiums received for A. & H. during 1950 were \$643,712 as compared with \$542,272 during 1949. Total income during the year amounted to \$9,528,342. There was \$4,255,696 paid to policyholders and beneficiaries during 1950. An increase from 3.03% in 1949 to 3.14% in 1950 was shown in the net yield on assets.

List Equitable Cal. Investments

LOS ANGELES—Equitable Society has purchased a \$3,100,000 first mortgage leasehold bond issue of City Park Garage, Inc., which is building a 3,000 car underground garage here. Equitable also has made real estate loans of \$2,500,000 to the Cedars of Lebanon hospital and \$3 million to the Hospital of the Good Samaritan for additions.

Equitable has purchased the Beverly

Hills store property of the J. W. Robinson Co., a leading department store, for an undisclosed sum and has leased the building back to the store on a long term lease.

Other real estate loans made by the company recently include one for the construction of the 2010 Wilshire medical building, and one to the Los Angeles Jewish community council, for the construction of an office building.

1950 Death Rate at New Low

New low death rates among American wage-earners and their families from pneumonia and influenza, tuberculosis, the common communicable diseases of childhood, the disorders of childbearing, typhoid fever, diarrhea and enteritis, appendicitis and homicide were set in 1950. Metropolitan Life so reports based on experience among its industrial policyholders.

The over-all death rate, lowest for 40 years, was 6.37 per 1,000 policyholders, a decline of about 1% from 1949 rate, and only about half the rate in 1911.

Joseph Nimmer, manager of Metropolitan Life at Hammond, Ind., has been named manager of the Maumee district with headquarters at Toledo, O. He joined the company in 1930 as an agent at Youngstown.



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Now in 22 States

Would Boost Ohio Attaches

A bill has been introduced in the Ohio house which would make the warden, actuary and chief examiner assistant superintendents of insurance and class them as deputy superintendents for compensation purposes.

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Employee Benefit Plans

RICHMOND ATLANTA

Life Insurance Must Speak Out: Dineen

(CONTINUED FROM PAGE 1)

that the issue of a monopolistic state fund might arise again in connection with compulsory disability coverages and that the business ought to start thinking about this possibility and make certain of its position, so that if it feels obligated to speak up for furnishing of this coverage on a competitive basis by private companies it can argue its own cause.

He pointed to Great Britain where the traditionally ultra-conservative British life insurance companies were faced with nationalization of industrial insurance by the Labor party. The British companies determined that they had to take positive steps and through the British Life Offices Assn. created an advertising program which took their case to the court of public opinion. Advertisements appeared in daily papers, brochures were printed and distributed. Later on the Labor party modified its position and announced that it would urge mutualization of the British industrial life insurers. Mr. Dineen termed this a specific illustration of direct participation in the field of political action in a case where the life insurance companies realized that half-way measures would accomplish nothing.

Mr. Dineen said that the business need make no apology for maintaining legislative representation for both company and producers' organizations throughout the states and in Washington, D. C. He termed it the duty of the business to its policyholders to maintain such representation. He indicated that through legislative representatives the company and agent organizations have the responsibility of opposing bad legislation. The second purpose of legislative representation is to facilitate enactment of necessary and desirable legislation. A third and very important task is to provide information to the members of the legislature who are interested in the business.

He indicated that no legislator should be required to conduct a search to find people who can give him information about any particular business of consequence. He praised both the company organizations and N.A.L.U. for their real public service in Washington and throughout the states.

Mr. Dineen recalled that long ago the insurance business gave up the practice of financial support to political legislation of the sort that led to the Armstrong investigation. It is obvious that such activity is in bad taste, but it is more difficult to draw the line in political campaigning. He pointed out that in the 1940 campaign, some poor credit was reflected upon the life insurance business by two New York general agencies which circulated certain policyholders against the incumbent administration. It was indicated in the investigation by the New York insurance department that without questioning the right of any individual as a private citizen to engage in campaign activities, the propriety of such activity becomes questionable when indulged in by agents or officials of life insurance companies in the offices of such companies.

Inflation Campaign Praised

In connection with certain pronouncements of the president of a life insurance company in that campaign, Mr. Dineen indicated that there was no question but that the president made sincere efforts to make it clear that his company as such was not engaged in political activities. But it is next to impossible to disassociate a great life company from the individual who heads it, he declared.

He cited the inflation campaign of Institute of Life Insurance as an example of a temperate non-partisan approach to a ticklish problem on which life insurance is making its points without resort to name calling.

Expanding Controls Called Top Threat

(CONTINUED FROM PAGE 3)

start thinking seriously now as to their desires and needs for future manpower.

Although most managers now admit they're looking for older men, a curious corollary to Mr. Sweeten's talk came about during the discussion. A show of hands indicated that more than half of those present started in the business at the age of 25 or younger.

Vincent B. Coffin, senior vice-president of Connecticut Mutual Life, in a very brief talk pointed out that the world needs better human relations, those which spring from better understanding. He said such meetings as these have helped better relationships between the home offices and the field. The Saratoga tradition, he said, is a "great tradition."

Shoemaker Presides at Sessions

George P. Shoemaker, Provident Mutual, New York City, president of the organization, presided at both sessions in the absence of Harry Krueger, Northwestern Mutual Life, New York City. Mr. Krueger, program chairman, was recovering from an attack of the flu.

The session started off on a somber note as Mr. Shoemaker mentioned the illness of not only Mr. Krueger but of P. A. Collins, Metropolitan, of New York City, and David McCahan, dean of the American College, both of whom had been stricken with heart attacks. Resolutions were passed wishing them speedy recovery.

At the same time Ralph Engelsman, Penn Mutual, New York City, took a bow after Mr. Shoemaker had praised him as the "father of these meetings."

Arno H. Johnson, vice-president of J. Walter Thompson Co., said that fac-

tors that contribute to an increased market for service of life insurance include a population increase that will bring the total population up to 162 million by 1955, a continued high birth rate, sustained by threats of war, and higher incomes.

Many Sales Ideas Offered at Chicago A. & H. Congress

(CONTINUED FROM PAGE 4)

Insurance Economics Society, talked on legislation. The governors of Illinois, Michigan, Massachusetts and Minnesota have recommended either passage or study of state disability laws; two bills, similar to those of the past, are before Congress, and cash sickness legislation has been introduced in nine states, he reported.

Many insurance men assume, Mr. O'Connor observed, that state disability plans are inevitable, but he mentioned that 50 such bills have been introduced in the last four years, and only one got through. He warned that once a plan is adopted it becomes a political football, and the demand is for more and more benefits. In California, medical and hospital were added, and the same coverage is being asked in New York and New Jersey. He urged the agents to sell more A. & H., and thus reduce the argument that government is the only means by which it can be supplied.

Jack Olson, Combined, was chairman of the congress committee and introduced the speakers. Clayton Lundquist, Lamb, Little, president, presided. The crowd was enhanced by a contingent of the Milwaukee association.

Doctors' Council to Meet

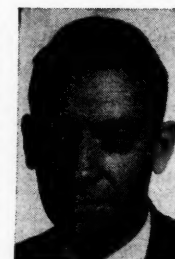
The executive council of Assn. of Life Insurance Medical Directors will meet at the Statler Hotel, New York City, March 2 to formulate plans for 1951.

Equitable Advances Eight Executives

(CONTINUED FROM PAGE 2)

vice-president and associate actuary in 1947 after having been with Mutual Life for 29 years and attaining the rank of associate actuary. He was a naval officer in the last war.

Mr. Horelick joined Equitable's group



Walter Klem



N. E. Horelick

department in 1926 and soon went into group annuity work. He became director of group annuities in 1932 and group department manager in 1945. He was made general manager last year to direct all group sales activities. He is a graduate of Carnegie Institute of Technology.

Mr. November went into the actuary's department in 1927 after graduating from Cornell. He was made actuarial



J. Henry Smith



W. J. November

assistant nine years later and the following year assistant mathematician, becoming assistant actuary in 1939 and an associate actuary in 1941.

Mr. Smith graduated from University of Delaware in 1930 and joined Equitable's group department that year. He was with Travelers from 1935 to 1942, returning to Equitable as technical assistant in the actuary's department. In 1943 he became assistant superintendent of the group insurance actuarial bureau, assistant actuary in 1945 and associate actuary in 1947.

Investment Outlook Good Till Summer. Then Doubtful

(CONTINUED FROM PAGE 3)

bonds. This would lead to quite a scrap and not all hands would favor the Treasury. More likely, however, the Treasury will reach its goal by using the authority of other government agencies such as the federal housing authority, veterans administration, federal reserve board or the national production authority. It can pull tighter the strings on credit through the first three agencies. It can control licenses to construct as well as rationing, priorities and material allocations through the other. For example, if lenders aren't interested in government bonds when the Treasury wants to sell them and prefer mortgage loans, the government may tighten credit for home loans as well as cutting the ration of materials that go into housing construction. By shutting off the mortgage market, it forces lenders' money to find another outlet. When the outlets have been closed, the ultimate alternative at the end of the investment funnel is government bonds. Life companies are already in this funnel, some deeper than others.

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"Today, we bought Freedom for our Son."

"He'll never have to support us. He'll start life with no responsibilities—except the ones he chooses for himself. And we'll be free, too, to live our own lives in a place of our own choosing. Now that we've added a retirement plan to our life insurance program we can say that today we bought freedom—for our son and ourselves."



Of all the things that salesmen sell
... none is more needed or wel-
comed than financial freedom—the
true end-product of life insurance.

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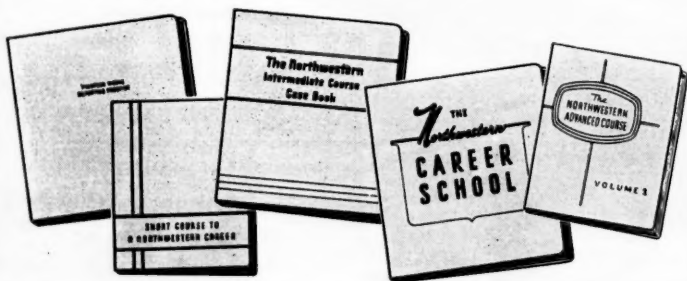
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What better evidence that NORTHWESTERN MUTUAL *training* *helps bring success?*

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5-Phase Educational Program

- 1. Short Course.** The new agent is given 2 to 4 weeks of personal tutoring. The text used and the sales techniques employed have been evolved from many years of successful agent training.
- 2. 13-weeks Reporting Program.** The new agent prepares weekly reports of his work. These reports are analyzed each week by the Educational division and appropriate comments sent to the agent in a personal letter. Thus the agent learns how to improve his pattern of work.
- 3. Intermediate Course.** The agent gets personal practical experience in programming procedures. He prepares his own presentations based on case studies of actual sales by the Company's top salesmen.
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112

Northwestern Mutual agents won membership last year in THE MILLION DOLLAR ROUND TABLE . . . almost as many as the No. 2 and No. 3 companies combined.

262

Northwestern Mutual agents have earned the coveted degree of CHARTERED LIFE UNDERWRITER . . . a greater number proportionately than any other life insurance company.

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He is introduced without delay to one of the most thorough, most concentrated training courses ever made available in the life insurance field. It is the Northwestern Mutual Educational Program.

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